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PROCEEDINGS AND DEBATES OF THE 103^d CONGRESS, SECOND SESSION

SENATE—Friday, August 19, 1994

(Legislative day of Thursday, August 18, 1994)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. BYRD].

The PRESIDENT pro tempore. The Senate will be led in prayer by the Senate Chaplain, the Reverend Dr. Richard C. Halverson.

Dr. Halverson, please.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

In a moment of silent prayer, let us remember retired Capitol Police Officer Raymond Dextradeur, who is very ill at Andrews Hospital, and his family.

*If any offend not in word, the same is perfect * * * the tongue is a fire * * * and setteth on fire the course of nature * * * the tongue can no one tame * * ** — James 3:2, 6, 8.

Commit thy works unto the Lord, and thy thoughts shall be established.—Proverbs 16:3.

Eternal God, Lord of Heaven and Earth, loving and gracious in all Thy ways, may we heed this wisdom from the Bible. Sometimes in the heat of debate, especially under great pressure, we say things which would be better left unsaid. We know that words can be destructive as well as constructive. Under the pressure and tension of these days, give to Your servants, the Senators, the wisdom of God in thinking and speaking. Sensitize them to the wise saying of King Solomon, the wisest man who ever lived: "Commit thy works unto the Lord, and thy thoughts shall be established."

Bless this House with love and grace, mighty God, the Senators, their families, and all the support staffs and their families.

To the glory of God and for the blessing of the Nation. Amen.

RESERVATION OF LEADER TIME

The PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 9:30 a.m. with Senators permitted to speak therein for not to exceed 5 minutes each.

The Senator from Delaware [Mr. ROTH] is recognized for not to exceed 5 minutes.

FAILURE TO PROTECT OUR CHILDREN

Mr. ROTH. Mr. President, a month ago, I brought to the Senate's attention a deplorable situation involving allegations of child molestation and the failure of two U.S. Government agencies, the U.S. State Department and the U.S. Justice Department, to carry out their responsibilities to protect our children.

In 1991, the Department of Justice indicted John Wetterer, a U.S. citizen, in New York for mail fraud and interstate transportation of stolen property for allegedly raising money under false pretenses for an orphanage he runs in Guatemala. The indictment alleged, among other things, that Mr. Wetterer used his orphanage to, induce, entice and persuade the boys to submit to his sexual activities. A Federal investigator, in a sworn affidavit, asserted that Mr. Wetterer regularly molests young boys who reside at—the orphanage—and on whose behalf he solicits charitable contributions in the United States.

Despite knowing that Mr. Wetterer was facing a Federal indictment for sexually abusing young boys at his orphanage and despite knowing that the Justice Department has been trying to extradite him, somehow the American Embassy in Guatemala, which we depend upon to protect United States citizens, placed at least one and perhaps more American young people at risk by placing them in the orphanage run by Mr. Wetterer.

If the situation had stopped there, it would be bad enough but, incredibly, it

gets worse. On February 28, 1994, an American Foreign Service officer in Guatemala wrote Mr. Wetterer a thank you note on Embassy stationery. This is the same Embassy that had been involved in the efforts to extradite Mr. Wetterer back to the United States to face the charges against him.

I wrote to Attorney General Reno on June 14, 1994, to find out whether the Justice Department intended to further pursue this matter after the Guatemalan Government denied our initial extradition request. On August 15, 1994, I received a reply from Assistant Attorney General, Sheila Anthony, in which she stated that the Department of Justice, and I am quoting, "does not believe that it would be feasible to re-submit another request to the Government of Guatemala for Mr. Wetterer's extradition at this time." I found this response astonishing because it appears that no real serious effort was made to pursue even the initial extradition request. Yesterday, I received another letter. This one, from the Attorney General, in which she states that "every effort is being made, under my personal supervision, to apprehend Mr. Wetterer." I trust that this most recent letter states the true intent of the Justice Department and the Attorney General.

At my request, the State Department's inspector general launched an investigation of this matter. I have not yet been able to receive a briefing on the result of the inspector general's investigation, because, according to the inspector general's office, the U.S. attorney in Brooklyn, NY is now reviewing the results of the inspector general's investigation. However, according to an article published in Newsday on August 17, 1994, the inspector general's investigators discovered that there have been 15 recent cases in which Guatemalan courts initially denied United States extradition requests. In all of those cases, except one, the United States Embassy appealed the decisions to a higher Guatemalan court. The only case in which

● This "bullet" symbol identifies statements or insertions which are not spoken by a member of the Senate on the floor.

our Embassy did not file such an appeal as the Wetterer case. Let me repeat that: Of 15 recent cases in which Guatemalan courts initially denied United States extradition requests, the Wetterer case was the only one that the United States Government did not appeal.

Why has the Wetterer case been treated differently from other cases? I would hope the Attorney General would answer this question. Again, according to *Newsday*, the IG's report found that the United States Embassy in Guatemala effectively sided with Mr. Wetterer despite the very serious charges pending against him. Apparently there was a feeling that Wetterer's extradition would upset diplomatic relations with Guatemala because Wetterer has friends in high places in Guatemala.

If these reports are accurate, in my view this administration failed miserably in fulfilling its pledge to protect children. Apparently, going easy on an indicted child molester with friends in high places to avoid upsetting a foreign government was more important than protecting American children and bringing a fugitive to justice.

I have been trying for some time to find out the facts of this case with little cooperation, particularly from the State Department—although I do believe that Department's inspector general has given this matter serious attention. I wrote to Secretary of State Warren Christopher back on March 9, 1994, and most recently, on June 14, 1994, asking to review cable traffic and other documents to determine what actually happened in this matter. I have yet to receive a written response from the Secretary of State. One can only wonder what is going on?

I am glad that Attorney General Reno is giving this matter her personal attention and I hope that the Secretary of State does likewise. If there is no movement on the Wetterer case I expect to meet with the Attorney General. I have informed representatives from both the State and Justice Departments that I expect some coordinated action in this matter from these two agencies, coordination that has obviously been previously lacking. What we have here is a situation wherein one hand of the U.S. Government has indicted Mr. Wetterer for sexually abusing children and is seeking his extradition, while the other hand is placing American children under the care of this man and writing him thank you notes for his help. Whether through ignorance or arrogance, the State Department's actions in this case are reprehensible, and made worse by its stone-walling my efforts to get to the bottom of this case. I intend to continue to pursue this matter, until I do get to the bottom of it, in order to ensure that protecting children is a top priority. As our Nation's most valuable resource, our children deserve no less.

Mr. President, I ask unanimous consent that a copy of my correspondence from the Justice Department and an August 17, 1994 article from *Newsday* be included in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON GOVERNMENTAL AFFAIRS,
Washington, DC, June 14, 1994.

Hon. JANET RENO,
Attorney General of the United States, U.S. Department of Justice, Washington, DC.

DEAR ATTORNEY GENERAL RENO: I am writing to inquire about the status of a matter involving the Department of Justice.

As you may know, John H. Wetterer, a United States citizen currently residing in Guatemala, has been indicted in the Eastern District of New York (CR. No. 91-112) on mail fraud and interstate transportation of stolen property charges in connection with his Guatemalan orphanage, Mi Casa. The indictment alleges, among other things, that Mr. Wetterer used his orphanage to "induce, entice and persuade the boys to submit to his sexual activities." A federal investigator, in a sworn affidavit, asserted that Wetterer "regularly molests young boys who reside at [his orphanage] and on whose behalf he solicits charitable contributions in the United States."

I am aware that the Justice Department has previously sought extradition of Mr. Wetterer, but the Guatemalan government has denied the extradition request.

However, I understand that subsequently a superseding indictment has been returned against Mr. Wetterer. In light of the additional evidence compiled in this case, I am writing to inquire whether the Justice Department has filed or intends to file another extradition request regarding Mr. Wetterer.

I trust that this matter will be given your immediate attention and I look forward to hearing from you as soon as possible. Please contact Stephen Levin of my staff at (202) 224-9157 regarding this matter.

Sincerely,
WILLIAM V. ROTH, JR.,
Ranking Minority Member,
Permanent Subcommittee on Investigations.

OFFICE OF THE ATTORNEY GENERAL,
Washington, DC, August 18, 1994.
Hon. WILLIAM V. ROTH, JR.,
Ranking Minority Member, Permanent Subcommittee on Investigation, Committee on Governmental Affairs, U.S. Senate, Washington, DC.

DEAR SENATOR ROTH: This is to supplement a letter to you from Assistant Attorney General for Legislative Affairs Sheila Anthony, dated August 15, 1994, regarding the potential extradition of John H. Wetterer from Guatemala.

Please be assured that every effort is being made, under my personal supervision, to apprehend Mr. Wetterer. A team of senior Department of Justice prosecutors has been working with State Department personnel to identify every potential option to return him to the United States for prosecution. Although Guatemalan law and procedure are often unclear, we are striving to obtain the very best factual and legal information from reliable and authoritative sources, including Guatemalan authorities and private Guatemalan legal counsel retained to help represent the interest of the United States.

Although we are not in a position to submit a second request for extradition at this

time, every effort is being made to assure that justice is done in this case. I would be happy to meet with you personally at any time to discuss this matter further.

Sincerely,

JANET RENO.

U.S. DEPARTMENT OF JUSTICE,
OFFICE OF LEGISLATIVE AFFAIRS,
Washington, DC, August 15, 1994.

Hon. WILLIAM V. ROTH, JR.,
Ranking Minority Member, Permanent Subcommittee on Investigations, Committee on Governmental Affairs, U.S. Senate, Washington, DC.

DEAR SENATOR ROTH: This responds to your letter to the Attorney General, dated June 14, 1994, regarding whether the United States Department of Justice intends to make a second request to the Government of Guatemala for the extradition of John H. Wetterer. The Department shares your concern over this matter and we have looked into the procedural status of the case.

As you indicated, the Government of Guatemala denied the first request of the United States for Mr. Wetterer's extradition. Unfortunately, according to Guatemalan authorities, under the law of that country we cannot re-submit an extradition request based on the same charges. Moreover, subsequent to the denial of this extradition request, the Government of Guatemala apparently prosecuted and acquitted Mr. Wetterer of charges stemming from the United States Department of Justice's original and supplemental indictments against Mr. Wetterer. We understand that it is virtually certain that the Government of Guatemala would not extradite Mr. Wetterer to the United States to be prosecuted for crimes for which they believe he has been acquitted. The Department of Justice, therefore, does not believe that it would be feasible to resubmit another request to the Government of Guatemala for Mr. Wetterer's extradition at this time.

I hope this information is helpful. If the Department of Justice can be of further assistance with regard to this or any other matter, please do not hesitate to contact us.

Sincerely,

SHEILA F. ANTHONY,
Assistant Attorney General.

[From *Newsday*, Aug. 17, 1994]

STATE DEPT.'S WETTERER PROBE—EMBASSY SENT BOY TO MAN ACCUSED OF MOLESTATION
(By Robert E. Kessler)

An internal State Department investigation has found that U.S. Embassy staffers in Guatemala referred a homeless American boy to an orphanage run by a former Massapequa man alleged to have sexually abused young boys, despite warnings that the move could hurt efforts to extradite the man.

"Oh no, that's [John] Wetterer's place," an embassy official, extradition officer James Herman, told other diplomats in the embassy last Christmas when informed of the plan, according to several sources familiar with the yet-to-be released report by the State Department's office of Inspector General.

Herman was aware of the molestation allegations against Wetterer, which stem from his 1990 indictment on mail fraud charges for allegedly raising money in the United States ostensibly to help young boys at the Mi Casa orphanage.

The boy has told investigators he was treated well during his two months at the orphanage, sources said.

The placing of the boy in Mi Casa may have hindered attempts by the United States

to convince a reluctant Guatemalan government to extradite Wetterer. It was one of a series of actions during the past three years by embassy officials that apparently blocked active pursuit of the case. The 60-page report was based on two dozen interviews in Guatemala and Washington conducted during the past two months.

Despite the harsh tone of the State Department report, it has not satisfied either Justice Department officials, who are considering convening a grand jury to investigate possible obstruction of justice by embassy staffers, or Sen. William Roth (R-Del.), who has been critical of Clinton administration efforts in various child protection and child pornography cases.

"I urge Attorney General [Janet] Reno and Secretary of State [Warren] Christopher to become personally involved in this case," Roth said.

The embassy is depicted in the report as a place in which diplomats, in effect, sided with Wetterer despite the accusations. Several reasons were given by embassy officials interviewed in the report—personal friendships with Wetterer or doubts about the seriousness of the allegations; the feeling that extradition would upset diplomatic relations with Guatemala; and lack of knowledge of the allegations.

Wetterer, who left the United States in 1976 to begin running the orphanage, was indicted in 1990. John McDermott, a federal postal inspector investigating the case, said in court documents that Wetterer "regularly molests young boys" at the orphanage. The allegations, which stem from interviews with former orphanage residents now in the United States, occurred in Guatemala and thus cannot be prosecuted as a crime here.

Roth, the ranking Republican on the Senate Investigations Committee, has been calling for increased attempts to extradite Wetterer. He said last week that the case was another example of the Clinton administration not being serious about child protection.

For their part, Justice Department officials, who have long complained the State Department was not vigorous enough in attempts to extradite Wetterer, were said to be furious that the State Department would question embassy personnel before Justice agents had a chance to.

The Justice officials believe the questioning, which was done without consulting them, might compromise a criminal investigation into whether embassy officials obstructed justice, according to sources familiar with the ongoing investigation. The Justice Department is planning to convene a grand jury on Long Island to look into the matter, the sources said.

State Department investigators in their own report found that of the 15 recent cases in which Guatemalan courts initially denied U.S. extradition requests, Wetterer's was the only case in which the embassy did not file an appeal to a higher Guatemalan court.

When it came to placing the boy last Christmas, Herman, the extradition official, said the United States could not argue that the man was a child molester after giving a child into his care.

But he was overruled on the grounds that the embassy could not find anyone else to care for the boy temporarily, and that they didn't believe Wetterer would dare harm a child placed with him by the embassy, according to officials quoted in the report.

The decision to house the boy was made by personnel who had not read Wetterer's file and assumed the molestation allegations

were based on the testimony of witnesses who were not credible, the report said.

The boy was in Mi Casa for two months before being placed in a foster home in California. Federal postal investigators questioned the boy last month and he told them he had been treated well, sources familiar with the investigation said. Nancy Beck, a spokeswoman for Christopher, said on Monday, "The Department's Office of Inspector General has an ongoing investigation and cannot comment further."

Carl Stern, spokesman for Reno, said only that the situation "is under review." Zachary Carter, the U.S. Attorney in Brooklyn, declined to comment. Lee McLenny, spokesman for the embassy in Guatemala, and John Duncan, counsel to the State Department Inspector General, also declined to comment citing the ongoing investigations, as did federal prosecutors Julie Copeland and Gary Brown, of Carter's office, who are conducting the investigation.

One of Wetterer's attorneys, Stanley Shapiro of Miller Place, said embassy personnel or their spouses have been active as volunteers at Wetterer's orphanage because they know the good work he does and don't believe he is guilty of the charges.

But despite his client's avowed innocence, Shapiro said Wetterer had no intention of returning voluntarily to this country to clear his name. Shapiro said he doubted Wetterer could get a fair trial because of the sensational nature of the charges and because "the U.S. attorney could convict a ham sandwich."

U.S. officials familiar with the Guatemalan political situation say that it would take an extremely strong effort by the United States to get Wetterer extradited. The State Department investigators concluded that Wetterer has friends in high places in Guatemala.

Mr. DECONCINI addressed the Chair. The PRESIDENT pro tempore. The Senator from Arizona [Mr. DECONCINI] is recognized for not to exceed 5 minutes.

Mr. DECONCINI. Mr. President, I ask unanimous consent that I may speak for 10 minutes in morning business.

The PRESIDENT pro tempore. Is there objection? The Chair hears no objection. The Senator is recognized for not to exceed 10 minutes.

HEALTH CARE AND THE DEFICIT

Mr. DECONCINI. Mr. President, first, I want to compliment the Presiding Officer, the President pro tempore. I listened to his speech regarding the health care bill and I must say, as usual, he puts his finger right on the problem, and that is doing something about the deficit.

In order to have any kind of health care reform or any kind of reform in this country that is going to really mean something to the people, the deficit of the United States, of this great Nation, has to be curbed. And as the Presiding Officer pointed out, this President is the first President, at least in the 18 years that I have been here, under which deficit growth has actually gone down.

But, having said that, it is not enough. And if we are going to take on

this effort, that only this President, in the 18 years that I have been here, is even willing to address, it has to be done primarily to reduce the deficit. Health care is important to all of us. I support some of the comprehensive changes. But unless it makes a long-term deficit reduction, I agree with the Senator from West Virginia, and I noticed that the Senator from Oregon had pretty much the same to say following Senator BYRD's remarks.

SUPPORT OF THE CRIME BILL CONFERENCE REPORT

Mr. DECONCINI. Mr. President, over the past week, since the House of Representatives turned its back on an American public which supports the crime bill, I have watched and listened with amazement as opponents of the bill have decried it as "pork-ridden" and "soft" on crime. Often, I find myself wondering if they are talking about the same bill that I helped pass out of conference. Unfortunately, we are now mired in a political game where reality is obscured by rhetoric and partisanship.

I recently saw a television commercial which claimed that this bill will release 10,000 criminals onto the streets of America. It makes a great sound bite, but the reality is that under the safety valve provision, which Republicans HENRY HYDE and BILL MCCOLLUM supported in conference, the Bureau of Prisons estimates that only "100 to 400 inmates who were sentenced under the guidelines would be eligible for immediate release from Federal custody." Furthermore, these nonviolent drug offenders were convicted between 1989 and 1990 and have already served at least 4 years in prison. So, some may wonder how one side could claim only 400 will be affected, while the other claims 10,000. Well, who would you rather believe, the Bureau of Prisons or the special interest groups, such as the National Rifle Association, who sponsored this particular ad?

But this is only one example of the misinformation which is currently clouding the debate on the crime bill.

During my tenure in this body, I have supported law enforcement. I will take a back seat to no one and understand law enforcement as well as anyone here. And I am not here to support a pork barrel bill that would allegedly fight crime, but in reality does nothing but hand out money and has no real effect on crime. My purpose today is to attempt to add a little perspective to this debate and to show my colleagues who oppose it why they are out of step with the American people. When the facts are on the table, there is no legitimate reason to vote against this bill.

The hallmark of the bill is making food on President Clinton's promise to put 100,000 new police officers on the

streets of America. This bill will do that, but what does that mean to you and me or to mainstream America?

These officers will engage in community policing which is more than just driving through your neighborhood every couple of hours. Community policing will build a bond between law enforcement and the law-abiding citizens of this Nation. The police will be visible in the community, walking the beat, developing relationships with citizens and businesses. For my State of Arizona, it means that Arizona is guaranteed funding sufficient to hire 500 officers at \$75,000 per officer. That is 500 officers guaranteed. Furthermore, discretionary authority exists which will allow Arizona to potentially add an additional 1,000 officers. Arizona could put as many as 1,500 new officers on the street under this bill. People should not be too quick to discount this program. If this Nation is truly going to get crime under control, we must restore a strong sense of community to the cities and towns throughout this Nation. This program will help do just that.

It would be impossible for this Congress to pass a comprehensive crime package without addressing the issue of assault weapons and the violence they generate everyday on the streets of this Nation. Despite the fact that the assault weapons ban has, in this Congress, passed both the House and the Senate and the American people overwhelmingly support it, those who oppose this bill want it watered down.

The opposition to this bill is not about pork. It is guns. The National Rifle Association and other second-amendment organizations do not want any restrictions at all on these violent weapons.

The measure, which bans 19 assault weapons and copycat models, does not eliminate the right of honest, law-abiding citizens to purchase guns for protection, hunting, or recreational activities. It is a limited ban, affecting only those weapons designed for mass destruction. These weapons were very carefully selected after tracking weapons that are used in violent crimes in America. How many innocent people have to die before the will of the people is allowed to prevail? Those who continue to argue about this provision should muster the courage to put the American people ahead of the special interests and support this ban.

This legislation will also result in tougher penalties for violent offenders. The three-strikes-and-you're-out provision will take violent predator criminals off the streets and keep them in prison where they belong. The bill provides stiff penalties for violent and drug-related crimes committed by gangs. It triples the penalty for criminals who use children to deal drugs near schools and playgrounds. It includes penalties for over 70 criminal of-

fenses, dealing mostly with violent crimes, drug trafficking, and gun-related offenses, including drive-by shootings, aggravated sexual abuse, gun smuggling, and crimes against the elderly.

This hardly sounds soft on crime to me. But for those who are unconvinced, there is more. This bill provides over \$13 billion for State law enforcement. I have already discussed the nearly \$9 billion for cops on the beat, but the bill provides an additional \$245 million for rural law enforcement. The citizens of Arizona can attest to the fact that crime does not just occur in the cities. It is in the rural communities as well.

Beyond the enormous contribution to the States, this bill provides \$2.6 billion to enhance Federal law enforcement, including \$1 billion dollars to INS and the Border Patrol, which will be essential to solving many of the problems which currently plague this Nation's borders, including Arizona's southern border. In addition, the FBI, DEA, Treasury Department, and Department of Justice receive over a billion dollars so they can confront crime on the Federal level and do more about it.

This bill is not soft on crime. It is a bill which is committed to providing law enforcement with the resources they need to fight the war on crime. The men and women of American law enforcement are second to none in their commitment to the people of this country. Each day they go to the streets to make them safer for all of us. They repeatedly put themselves in harm's way. They deserve our respect and our commitment to helping them complete their difficult task. This bill does that. If you do not think we should support law enforcement, then you should vote against the bill. This is a pro-law-enforcement bill.

Throughout my career, I have supported law enforcement. I have also supported prevention. We know they go hand in hand.

Having said that, I want to take exception to those Members who, all of a sudden, are labeling every single prevention measure in this bill as "pork." It is unconscionable to do so, and again the facts bear me out. More than \$7 out of every \$10 in the crime conference report goes to police, prisons, and law enforcement.

This bill provides over \$6 billion in grant money to build prisons and boot camps. Furthermore, money is available to those States who make the commitment to "truth in sentencing" standards which require criminals to serve at least 85 percent of their sentences. The American people have a right to believe that criminals will serve their sentences, and this bill makes it a reality. An additional \$1.8 billion will go to the States to reimburse them for incarceration of undocumented criminal aliens. This will

be a tremendous benefit to my home State of Arizona as well as other States facing this enormous burden.

I have long advocated tougher penalties and building more prisons, but no one in this body should be fooled into believing that we can simply embark on a policy where all we do is build prisons. It simply will not work. It may make for great speeches in a tough election year, but it cannot be the only principle guiding our battle with crime. Even law enforcement organizations, including the Fraternal Order of Police, the National District Attorneys Association, and the International Brotherhood of Police, support the prevention programs in this bill. Do the opponents of this bill suggest that the police and DA's are soft on crime?

These law-and-order groups cite prevention as being essential to developing a long-term strategy for crime.

I commend Chairman BIDEN and others who fought so hard to get these programs in the bill. They are important.

Let us look closely at the alleged pork. There is \$1.8 billion for the Violence Against Women Act, so that women can live free of the fear of assault and domestic violence; who does not want to vote for that? If that was put on the floor here today, I daresay it would get 75 or maybe the entire 100 percent support of the Senate.

There is \$630 million so schools can provide children with an after school, weekend and summer safe haven programs to keep them off the streets and out of gangs; \$1.3 billion goes to establishing drug courts which will expose an additional 600,000 nonviolent drug offenders to court-supervised drug treatment programs. What do these drug programs do? Now drug offenders either go to jail or they are back on the street on parole or probation. These courts require you to do certain things. First, you have to stay in school; second, if you have a job you have to keep your job; if you do not have a job, you have to go to job training and; third, if you fail to do any of those things you go to jail. That is known as a diversion program. It works, and it is an important program and the police of this country support it and this body has supported it in the past.

There are many more programs aimed at keeping youth out of trouble. One that is put down all the time is midnight basketball. It is said this does not work. Opponents ridicule the program and say the youth should, "Pick up a book instead of a basketball." We know kids do not want to go to school all the time. We know that when they are out of school they hang out in the neighborhoods and we know that often breeds trouble. So midnight basketball gives them something to do. And they do not just play basketball. They get counseling, they have to be in

school, they have to be responsible or they cannot be in the league. Those who break the law must bear personal responsibility for their actions and this bill holds them accountable. But for those millions of youths who have not broken the law, but have very few constructive influences on their lives, many of these programs will provide them with the means to ensure that they never cross that line and end up in the criminal justice system.

One such program which I am very familiar with is the GREAT Program, the Gang Resistance Education And Training Program. It is a structured, school-based program implemented in areas where gang activity exists or is emerging. The program focuses on students in the seventh and eighth grade. It teaches them to set goals, and to develop self-esteem, and self-respect. There is a law enforcement officer in the classroom teaching this. The law enforcement officer is put through training in these important areas. The program started in Phoenix, AZ. It has reached over 100,000 at risk youths and is a very popular and successful program. I am pleased to see it included in the conference report.

There are many other prevention programs in this bill. I do not know if they all will be a success, but to me they are good programs. President Clinton has challenged us to address the issue of crime. Senator BIDEN and Representative BROOKS, the chairmen of the committees in the House and Senate that ushered this bill through conference, deserve our thanks. And they have brought us a bill that meets the President's challenge.

It is a bill that I think is worthwhile and I hope we can pass the bill once the House gets through with their shenanigans and I hope we will not have any obstruction in this body.

Mr. President, I ask unanimous consent that a letter from the Bureau of Prisons regarding the number of people eligible for release under the safety valve program that I mentioned earlier, as well as a letter to the Attorney General, Janet Reno, lending support for this safety valve, which was signed by seven of the House conferees to this bill, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF JUSTICE,
FEDERAL BUREAU OF PRISONS,
Washington, DC, August 15, 1994.

Hon. JOSEPH R. BIDEN, Jr.,
Chairman, Committee on the Judiciary, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Bureau of Prisons has attempted to estimate the number of inmates who would be eligible for immediate release from Federal custody as a result of the pending Crime Bill provision that would allow a safety valve for low level offenders who received a mandatory minimum sentence for a drug offense and who would meet statutory exclusion criteria.

We used May 1994 U.S. Sentencing Commission (USSC) data showing the number of de-

fendants who were sentenced in fiscal years 1989, 1990, 1991, 1992 and 1993 and who met criteria which approximate those in the draft Conference Report for the safety valve provision. The criteria included in the USSC assessment covered defendants who were convicted under a mandatory minimum statute, received a Criminal History Category 1, received an acceptance of responsibility adjustment, had no aggravating role in the offense, had no dangerous weapon during the offense, and had no death or serious injury result from the offense.

If the safety valve provision of the Crime Bill is enacted in a retroactive fashion, we estimate that 100 to 400 inmates who were sentenced under the Guidelines would be eligible for immediate release from Federal custody. The reason there are so few Guideline-sentenced inmates who would retroactively qualify for the safety valve is that to be eligible now, offenders would have been convicted in earlier years, 1989, 1990. The safety valve requires that defendants be re-sentenced under the sentencing guidelines, which in most cases will require the offender to have served four years or more. Only offenders convicted in earlier years—1989 and 1990—would have served that amount of time.

Of course, it will take considerable time for motions to be filed and considered by the courts, hearings to be held and new sentences to be imposed. Therefore, the impact of the safety valve on this population will take effect over several months at a minimum.

Please keep in mind that the numbers provided here are only estimates, which depend upon not only the accuracy of USSC or Bureau of Prisons data in approximating safety valve criteria but also the eventual determination by The Courts of the appropriate Guidelines sentence.

I hope this information is useful in your conference committee deliberations.

Sincerely,

KATHLEEN M. HAWK,
Director.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, June 9, 1994.

Hon. JANET RENO,
Attorney General of the United States, U.S. Department of Justice, Washington, DC.

DEAR MADAM ATTORNEY GENERAL: One important issue we face as conferees on the crime bill is the so-called "safety valve" to certain mandatory minimum sentencing laws. We strongly favor the House version of the safety valve, including the provision ensuring its retroactive application to prisoners already serving their sentences.

We have heard that the Department also favors the House version, except that it may be undecided with regard to the retroactivity provision. We are writing to urge you in the strongest terms to support the House version in its entirety.

We have heard and reject arguments that it sets a bad precedent for the Congress to make retroactive changes in sentencing policy. To the contrary, prior Congressional action serves as ample precedent for the safety valve's retroactive application. For example, in 1974 Congress passed P.L. 93-481, which amended the Comprehensive Drug Abuse Prevention and Control Act of 1970, and which made certain changes in parole retroactively applicable to those serving mandatory minimum sentences. The report of the House Committee on Interstate and Foreign Commerce specifically stated that "the in-

terests of criminal justice will best be served if the rehabilitative aspects of the 1970 Act encompass all convicted narcotics offenders, regardless of the date on which they were sentenced."

We have also heard statements from some Department officials that the prisoners eligible for retroactive application of the safety valve number somewhere between 16,000 to 20,000. These figures are clearly inflated and incorrect. The Sentencing Commission estimates that, if the Commission does not change its current guidelines, retroactive application would definitely affect no more than 1600 prisoners, with another 3400 possibly affected. Even if the Commission does amend its guidelines by a two-level reduction in offense levels, only 5000 prisoners would definitely be affected, and another 2050 would possibly be affected.

Finally, of course, retroactive sentence modification is not automatic; prisoners definitely or possibly affected will not necessarily be granted such a modification. Modification is permitted only in two circumstances. First, the prisoner must demonstrate to the court that he or she meets the bill's criteria for prospective application as well as the specific additional requirement of good behavior while in prison. Second, the court must further determine that modification of the prisoner's sentence is appropriate. The Sentencing Commission is of course authorized to issue any statements it deems necessary to help the courts implement this section.

We strongly believe that the same principles that applied in 1974 apply today. Fairness, and the interests of the criminal justice system generally, dictate that those currently serving mandatory minimum sentences who would meet the narrow criteria set forth in the safety valve be considered for resentencing under the safety valve provisions. Moreover, the same policy considerations that underlay the safety valve's prospective application—to ensure that our limited and costly prison space is not taken up by low-level non-violent drug offenders with no significant criminal history who do not belong there—apply with equal force to similarly situated individuals already in prison.

We urge you to support the House safety valve provision in its entirety, including its retroactive application.

Sincerely,

DON EDWARDS,
JOHN CONYERS,
MIKE SYNAR,
CHARLES E. SCHUMER,
HENRY HYDE,
BILL MCCOLLUM,
WILLIAM J. HUGHES.

THE EFFECTS OF THE CRIME BILL IN ARIZONA

Mr. DECONCINI. Mr. President, much of the talk about the crime bill centers on what it will do for the Nation. It will hire us 100,000 police officers and supply billions of dollars for courts and prisons and programs to steer young people away from crime.

However, Mr. President, I think we obscure our point in waxing eloquent about what the Nation gets from the crime bill. Granted, Americans are worried about crime—there is no question about that. But Americans do not care if some city clear across the country has a few more cops. Americans want more police officers in their State, their city, protecting their neighborhood from the criminal element.

Thus, I want to take a moment and spell out for the State of Arizona—which I proudly represent—what, exactly, this crime bill will bring home.

It guarantees Arizona the funds for hiring at least 500 additional police officers. But it does not stop there.

There would be an additional \$6.5 billion in discretionary funds available for the implementation of community policing programs. This money would be available to States on a discretionary basis and could result in Arizona adding an additional 1,000 officers beyond the already guaranteed 500.

But what, exactly, does that mean for our State?

It means that instead of becoming involved when someone has already been robbed or attacked or raped, our police officers would practice "community policing," building a bond between the law enforcement and the law abiding citizens of a community. They would be visible in our communities, walking the beat, developing relationships with the citizens and businesses. Special training will help them to become an even more integral part of our neighborhoods, our daily lives, in essence becoming partners with us in combating and preventing crime.

The crime bill would give Arizona access to another \$44 million in grants to build prisons. That includes boot-camp prisons designed to correct—through military-style boot-camp discipline—the behavior of young people who have strayed onto a criminal path, but who still could be convinced to lead a productive, law-abiding life.

There would be yet another estimated \$30 million made available to Arizona if it meets the truth in sentencing requirement that violent offenders serve at least 85 percent of their sentences.

This crime bill would give Arizona law enforcement agencies and courts access to funding for drug court programs, where drug abuse treatment is supported through drug testing and certain punishment for nonviolent drug offenders currently on probation.

Federal money would be available to Arizona for criminal record systems, communications equipment and DNA testing to positively link criminals to their crimes.

And last, but certainly not least, Arizona would get \$6.4 million for drug and crime enforcement in rural areas. Considering that Arizona is largely a rural State, these funds are crucial—large cities are not the only ones with drug and crime problems.

Mr. President, by pointing out what Arizona would get from this crime bill, my intention is to separate one tree from the forest, so to speak, and show what the crime bill means when it hits home. It gets confusing to look at the whole crime bill package and determine what it means for you; when you look at the whole forest, it is hard to

make out just one tree. But I think when the people of Arizona know how crime affects them and when they know how this crime bill will directly benefit Arizona—their cities and their lives—they will understand why it is important to support it.

The PRESIDENT pro tempore. The Senator from Iowa [Mr. GRASSLEY] is recognized for not to exceed 5 minutes.

EXTENSION OF MORNING BUSINESS

Mr. GRASSLEY. Mr. President, I ask unanimous consent to extend morning business so I can speak for a maximum of 10 minutes.

The PRESIDENT pro tempore. Is there objection? The Chair hears no objection. Accordingly, morning business is extended for 10 minutes during which time the distinguished Senator from Iowa [Mr. GRASSLEY] is recognized.

COMPLIMENTING THE PRESIDENT PRO TEMPORE

Mr. GRASSLEY. Mr. President, before I speak on the subject the Senator from Arizona spoke on, I would like to compliment the President pro tempore for his speech last night. I was in my office. I had a chance to listen to your speech, asking us to be cautious in our approach to the legislation before this Senate on health care reform.

I think it was a very commonsense approach. You asked us to take a reality check. I hope in the process of our taking that reality check, we look back, and when we do something and do it right, we look back at your speech as being a key point, where you prevented Congress from setting out on a major blunder, as we have the capability of sometimes doing.

So I thank you for what you said yesterday and I think your prestige in this body will cause all of us to be a little more cautious as a result.

THE CRIME CONFERENCE REPORT

Mr. GRASSLEY. Mr. President, whatever the House does, I doubt the Senate is going to approve anything like the current crime conference report because it falls short of the public's expectations for a tough crime bill.

We in the Senate passed a tough crime bill last November, and it was paid for. The bill was so tough that the ACLU issued a lengthy paper criticizing numerous provisions. When we got to conference, most of those provisions disappeared. And a whole range of social spending, far beyond the relatively small amount that had been included as a necessary compromise in the Senate bill, was included.

I was a conferee. And I offered amendments on more efficient police

funding, on prisoner litigation, and on mandatory sentencing for selling drugs to minors. These were voted down. Virtually all Republican amendments were scrapped. The whole sorry spectacle was like something out of "Casa blanca."

There is that scene where the authorities drag Peter Lorre out of Rick's cafe to a certain death. As he leaves, Lorre asks Bogart, "You despise me, don't you, Rick?" and Bogart responds, "If I ever gave you a thought, I probably would."

We Republicans in that conference would have been despised, if only the folks on the other side of the aisle and the other side of the Capitol had given us a thought. The ACLU was clearly not despised. Our tough provisions came out, even if that meant disregarding motions to instruct that this body passed.

And the pork was crammed in, including the \$10 million for a university in the House chairman's district. Not only did nobody ask Republicans their opinion on that issue, they did not even inform any of us that it was an issue.

When my colleagues look at this bill, I hope they will not mistake the packaging for the package.

The labels say that there is \$7.3 billion for prevention. No so. The drug court money is for social programs. The prison money is largely social spending. There is no requirement that any of the supposed \$8.3 billion be spent to build prisons. It can be used for drug diversion programs and for freeing up existing cells, as prisoners are shifted to halfway houses.

The money can be used for jobs programs, even though Vice President GORE thinks there are too many uncoordinated jobs programs now. It is simply not \$8.3 billion to build and operate prisons. And the Senate funding for truth in sentencing—that criminals serve their real sentence rather than be paroled—was weakened.

Moreover, the funding formula permits large amounts to be distributed at the whim of the Attorney General, probably to important political States, as were the recent policing grants. My State of Iowa will never get its fair share of this money in this new bill.

Contrary to recent suggestions, the social programs are not Republican ideas.

President Bush's comments about midnight basketball have been quoted. But these quotes by President Bush have not been understood. When President Bush praised midnight basketball, he praised a point of light. It was a private program based on voluntary effort. It showed what local people could do themselves. But some people think that the only good program is a Federal program, not a private one.

That is how we wound up with a \$33 billion conference report with the

amount of deficit spending roughly equal to the amount of actual social spending.

Real prevention programs are prisons. Keeping prisoners in jails saves lives. History and common sense show that. The second best approach is to teach children values.

But the prevention programs contain language prohibiting the money from being used for sectarian instruction. So the money can go for dancing, self-esteem, and condom distribution. But if any religious organization tries to teach children the Ten Commandments, well, forget it. The American people's hard-earned tax dollars are a terrible thing to waste on pork barrel social programs.

The bill is indeed too expensive. I offered an amendment to cut waste from the policing money. Whatever the true number of police the bill would put on the streets, my amendment would have hired just as many at a savings of \$1.6 billion. I wanted to cut the unnecessary administrative expenses from the program. Localities have had cops on the beat before.

Teaching localities community policing is not like teaching nuclear physics. There are materials, and enough money remained for training videos and the like. It is also worth mentioning that the conference report allows the police money to be used not exclusively for hiring, but for overtime and even for buying police guns.

One of the worst provisions of the bill is the retroactive repeal of mandatory minimum sentences. Let us get the facts straight on this issue. The Administrative Office of the U.S. Courts estimates that as many as 10,000 criminals will be able to challenge their sentences under this provision. The Senate version was not retroactive.

It applied only to persons with no prior criminal history. It imposed extra penalties on those receiving the lessened penalty if they committed a second offense. And it applied only to very low-level drug offenders.

The conference report would allow some prisoners with a prior criminal record to avoid mandatory minimums.

And it would permit people who attempted or conspired to distribute drugs to avoid mandatory minimums. I think this sends the wrong message. These offenders are vital links in the chain of drug distribution in this country that leads to destruction and violence.

President Clinton wants this bill. He says he ran for President to enact this bill. Not that I recall; I remember that he ran to give middle-class Americans a tax break. Now, he sees a parade and wants to be the drum major at the front. This conference report will fail because it is not tough enough.

We are willing to work with the President to create a true compromise that toughens and economizes this con-

ference report. Then we would pass a bill that the American people want. They want punishment, not pork.

I yield the floor.

RECOGNITION OF JEFF GOLDSTEIN

Mr. HOLLINGS. Mr. President, I just want to take a minute to recognize Jeffrey D. Goldstein who is a presidential management intern from the Defense Logistics Agency on detail to our Commerce, Justice and State Subcommittee. He has been serving with my staff since February.

Jeff is a graduate of Cornell University and holds a masters degree in public administration from the Maxwell School at Syracuse University. He specialized in labor/management relations and previously worked with a variety of labor organizations.

During his tenure with us, Jeff was responsible for the review of and making recommendations for the Census Bureau, Economic and Statistics Administration, the Arms Control and Disarmament Agency, and the Federal Trade Commission. Jeff was responsible for keeping the numbers data bases for the subcommittee and in helping draft the committee bill and report. He put in long hours and became an integral member of my subcommittee staff.

I recently learned that Jeff will be leaving the Senate soon, to take a position with the National Security Division of the Office of Management and Budget [OMB] in the Executive Office of the President. He will be working on pay and compensation policy.

Alice Rivlin is getting a real winner. I know Jeff will continue to be a credit to the professional civil service. On behalf of all the subcommittee members, I want to wish him the best.

ADMINISTRATION EFFORTS IN THE PACIFIC NORTHWEST

Mr. LEAHY. Mr. President, it is easy to blame the current administration for timber problems in the Pacific Northwest—the White House has taken a bold initiative where another administration turned its back. My colleagues forget that the timber problems in the Pacific Northwest began during the Reagan years and culminated during the Bush administration when sales stopped in 1991. Timber sales resumed within a year of the Clinton administration.

Under the Republican watch, the Forest Service led the communities of the Pacific Northwest off a cliff. It was a shame. It was even more unfortunate that President Bush refused to do anything when the cut on public lands dropped to almost nothing. I share people's frustration, but ask them to blame the perpetrators if they are still looking for someone to blame. Do not blame the good people working hard to fix the problem.

Tom Tuchmann, White House Director for Forest and Economic Development, is one of the hard working people who has dedicated himself to finding a solution. He has compassion for the rural lifestyles of forest dependent communities, skill at bringing diverse perspectives to the table, and a commitment to making forest economics work. He successfully strengthened Vermont's forest economy when he worked on my Agricultural Committee staff, and he has devoted over 4 years to resolving the problems of the Northwest.

It is unfortunate that one Senator chooses to characterize this champion of sustainable forest as one who demonizes timber workers and advocates no logging. I regret that my colleague continues to polarize the debate with extreme and untruthful invectives.

The administration, including Mr. Tuchmann, was dealt a bad hand in the Pacific Northwest. I believe they are doing an excellent job under dismal circumstances. The region should not expect a royal flush when President Bush left only half a hand.

IS CONGRESS IRRESPONSIBLE? YOU BE THE JUDGE

Mr. HELMS. Mr. President, before we ponder today's bad news about the Federal debt, let us have a little pop quiz: How many million dollars would you say are in a trillion dollars? And when you answer that, just remember that Congress has run up a debt exceeding \$4½ trillion dollars.

To be exact, as of the close of business this past Thursday, August 18, the Federal debt stood—down to the penny—at \$4,670,703,740,629.23 meaning that every man, woman and child in America owes \$17,915.25 computed on a per capita basis.

Mr. President, to answer the question—how many million in a trillion? There are a million million dollars in a trillion dollars. I remind you, the Federal Government, thanks to the U.S. Congress, owes more than \$4½ trillion.

THWARTING THE WILL OF THE SENATE

Mr. REID. Mr. President, I ask unanimous consent to speak for 10 minutes as if in morning business. I also ask unanimous consent that my remarks appear in the RECORD so as not to interrupt the current debate.

Mr. President, I do not wish to interrupt or delay the important and historic debate on health care that this body is currently engaged in. However, a disturbing matter has been brought to my attention that I believe deserves immediate consideration by this body. It involves a Federal agency's successful—albeit in bad faith—effort to

thwart the will of this body by lobbying members of an appropriations conference to remove a unanimously passed Senate amendment.

I am referring to actions taken over the past couple of weeks by the Department of Housing and Urban Development. These actions were taken in response to an amendment I offered to the fiscal year 1995 VA-HUD and independent agencies appropriations bill.

My amendment was a moderate, thoughtful, and commonsense amendment designed to prevent the distribution of any Federal housing benefits to those individuals who are not lawfully within the country.

I offered this amendment, in part, because HUD was doing nothing—I repeat, doing not a thing—to determine the eligibility of alien applicants for Federal housing benefits. It didn't matter that an individual may have entered the country unlawfully. HUD was not concerned. It did not matter that an individual may have only been in the country for the purpose of attending school. HUD would not ask questions. And, the practical result was that untold amounts of Federal housing benefits ended up going to individuals who were statutorily prohibited from receiving such benefits. The best way of describing HUD's approach to dealing with the verification of alien eligibility prior to distributing Federal benefits was: We do not ask, we do not tell.

It is important that this body realize that HUD's successful efforts to thwart the will of the Congress extends beyond their midnight murder of my amendment. That is why I feel so strongly about speaking out on this issue now.

In 1980, Congress passed the Housing and Community Development Act of 1980. Included in the act was section 214, a provision that limited alien eligibility for specified housing assistance to certain classes of aliens. When we passed this provision we expected HUD to draft and implement regulations further codifying what was obviously clear Congressional intent.

Well, 14 years and three administrations later—and not coincidentally, on the very day I offered my amendment—HUD issued a proposed rule for section 214. That is right, Congress passed a law in 1980 that said if your residency status did not entitle you to Federal housing benefits you were prohibited from receiving them. And, it took the Department of Housing and Urban Development 14 years to implement regulations covering this law. This bloated bureaucracy took a simple rulemaking process and turned it into a modern day version of the Keystone Cops.

And then, when the Senate overwhelmingly passed my amendment—which only said that HUD had to take reasonable action to verify the lawful immigration status of all applicants—HUD sent its flacks to Congress to cut a seedy backroom deal.

Well, I stand here today to put HUD on notice that they may have won the battle but they are going to lose the war. The American people—and this Senator—will not stand silent anymore while this agency flagrantly and willfully ignores the laws that are passed by this body. There are sound policy reasons why we have laws on our books prohibiting the distribution of Housing Benefits to individuals who are not lawfully within this country. I know this. This body knows this. And, the American people know this. It is time that the Department of Housing and Urban Development also be educated of this. Perhaps the best way to do this may be to write HUD a large appropriations but then not deliver a check. That is essentially what they are doing with this body.

Yesterday we spent a great deal of time talking about sunshine in Government. Members of both sides of the aisle were in agreement that more sunshine on our dealings up here will produce a health care bill that is more satisfactory to all. Well, I think the same axiom holds true with actions taken by our agencies. Today, I am putting HUD on notice that I intend to put a little sunshine onto their activities. Perhaps it will end up shining on places where the sun has not shined before, but that may be a good thing.

I intend to find out why this agency has refused to follow the laws of the land. I intend to review every piece of legislation affecting this agency with an eye towards ensuring that they are following the law and not further wasting taxpayer dollars. As a member of the Appropriations Committee, I intend to review all future HUD appropriations with a fine tooth comb. If hearings are necessary, they will be held. If investigations are in order, they will be conducted. If money has been misspent, it will be exposed. The days of belligerent bureaucrats blindly circumventing the will of this body are now over.

Am I angry about HUD's assault on my amendment? You bet I am. Should other Members of this body be concerned? I respectfully suggest that they should.

My good friend from Maryland, the distinguished chairwoman of the VA-HUD Appropriations Subcommittee, supported this amendment, and I know that she tried to retain its inclusion during conference. The message HUD is sending this body in its actions following passage of this measure is that it does not care what the Senate says, it will follow and uphold the laws that it wants to. Mr. President, HUD can not be allowed to engage in this type of grocery shopping spree—arbitrarily picking and choosing which laws it wants to follow and which ones it does not. To do so not only undermines the intent of this body, it undermines the authority of the Constitution. And, that can not be tolerated.

Mr. President, defenders of HUD will wail loudly about the problems of implementing a regulation governing the restriction of housing benefits to those not lawfully within the country. They will tell you that the Federal law covering the restriction is too complicated, or not clear enough, or may involve sensitive issues of civil liberties. Let the people judge. I ask unanimous consent that this provision, as it appears in title 42 section 1436a of the United States Code, be printed in the RECORD. Also, I ask unanimous consent that an internal memorandum from HUD, in which HUD authorities announce that no residency questions may be asked of any housing benefit applicant, also be printed in the RECORD immediately following the printing of section 1436a.

(See exhibit 1.)

Mr. REID. I think this memo, even though it was written in 1987, evidences not only HUD's contravention of Federal law, but also its malfeasance—some would say negligence—in the distribution of Federal benefits. It also evidences why my modest amendment was necessary.

Mr. President, I will conclude by again telling the powers that be at HUD that this Senator now has their actions on his radar screen. All their actions will be monitored closely. This body will be made aware that of and when they willfully distribute taxpayer dollars to those not lawfully within this country, and if and when they capriciously refuse to enforce the laws of the land, they will loudly and publicly be called to task.

The issue of the immigration debate is not about immigrant bashing, as some would have us believe. It is about the disgust that all of us feel when laws are not enforced and individuals flagrantly abuse the laxity of law enforcement. All we want is for people to play by the rules.

I thank the Chair and yield back the balance of my time.

EXHIBIT 1

EXCERPT FROM THE UNITED STATES CODE

§ 1436a. Restriction on use of assisted housing by non-resident aliens

(a) Conditions for assistance.—Notwithstanding any other provision of law, the Secretary of Housing and Urban Development may not make financial assistance available for the benefit of any alien unless that alien is a resident of the United States and is—

(1) an alien lawfully admitted for permanent residence as an immigrant as defined by sections 101(a)(15) and 101(a)(20) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15) and 8 U.S.C. 1101(a)(20)), excluding, among others, alien visitors, tourists, diplomats, and students who enter the United States temporarily with no intention of abandoning their residence in a foreign country;

(2) an alien who entered the United States prior to June 30, 1948, or such subsequent date as is enacted by law, has continuously maintained his or her residence in the United States since then, and is not ineligible for

citizenship, but who is deemed to be lawfully admitted for permanent residence as a result of an exercise of discretion by the Attorney General pursuant to section 249 of the Immigration and Nationality Act (8 U.S.C. 1259) [8 USC § 1259];

(3) an alien who is lawfully present in the United States pursuant to an admission under section 207 of the Immigration and Nationality Act (8 U.S.C. 1157) or pursuant to the granting of asylum (which has not been terminated) under section 208 of such Act (8 U.S.C. 1158);

(4) an alien who is lawfully present in the United States as a result of an exercise of discretion by the Attorney General for emergent reasons or reasons deemed strictly in the public interest pursuant to section 212(d)(5) of the Immigration and Nationality Act (8 U.S.C. 1182(d)(5));

(5) an alien who is lawfully present in the United States as a result of the Attorney General's withholding deportation pursuant to section 243(h) of the Immigration and Nationality Act (8 U.S.C. 1253(h));

(6) an alien lawfully admitted for temporary or permanent residence under section 245A of the Immigration and Nationality Act [8 USC § 1255a].

(b) "Financial assistance" defined.—For purposes of this section the term "financial assistance" means financial assistance made available pursuant to the United States Housing Act of 1937 [42 USC §§ 1437 et seq.] section 235 or 236 of the National Housing Act [12 USC § 1715z or 1715z-1], or section 101 of the Housing and Urban Development Act of 1965.

(c) Preservation of families; students.—(1) If, following completion of the applicable hearing process, financial assistance for any individual receiving such assistance on the date of the enactment of the Housing and Community Development Act of 1987 [enacted Feb. 5, 1988] is to be terminated, the public housing agency or other local governmental entity involved (in the case of public housing or assistance under section 8 of the United States Housing Act of 1937 [42 USC § 1437f]) or the Secretary of Housing and Urban Development (in the case of any other financial assistance) may, in its discretion, take one of the following actions:

(A) Permit the continued provision of financial assistance, if necessary to avoid the division of a family in which the head of household or spouse is a citizen of the United States, a national of the United States, or an alien resident of the United States described in any of paragraphs (1) through (6) of subsection (a). For purposes of this paragraph, the term "family" means a head of household, any spouse, any parents of the head of household, any parents of the spouse, and any children of the head of household or spouse.

(B) Defer the termination of financial assistance, if necessary to permit the orderly transition of the individual and any family members involved to other affordable housing. Any deferral under this subparagraph shall be for a 6-month period and may be renewed by the public housing agency or other entity involved for an aggregate period of 3 years. At the beginning of each deferral period, the public housing agency or other entity involved shall inform the individual and family members of their ineligibility for financial assistance and offer them other assistance in finding other affordable housing.

(2) Notwithstanding any other provision of law, the Secretary of Housing and Urban Development may not make financial assistance available for the benefit of—

(A) any alien who—

(i) has a residence in a foreign country that such alien has no intention of abandoning;

(ii) is a bona fide student qualified to pursue a full course of study; and

(iii) is admitted to the United States temporarily and solely for purposes of pursuing such a course of study at an established institution of learning or other recognized place of study in the United States, particularly designated by such alien and approved by the Attorney General after consultation with the Department of Education of the United States, which institution or place of study shall have agreed to report to the Attorney General the termination of attendance of each nonimmigrant student (and if any such institution of learning or place of study fails to make such reports promptly the approval shall be withdrawn); and

(B) the alien spouse and minor children of any alien described in subparagraph (A), if accompanying such alien or following to join such alien.

(d) CONDITIONS FOR PROVISION OF FINANCIAL ASSISTANCE FOR INDIVIDUALS.—The following conditions apply with respect to financial assistance being provided for the benefit of an individual:

(1)(A) There must be a declaration in writing by the individual (or, in the case of an individual who is a child, by another on the individual's behalf), under penalty of perjury, stating whether or not the individual is a citizen or national of the United States, and, if that individual is not a citizen or national of the United States, that the individual is in a satisfactory immigration status.

(B) In this subsection, the term "satisfactory immigration status" means an immigration status which does not make the individual ineligible for financial assistance.

(2) If such an individual is not a citizen or national of the United States, is not 62 years of age or older, and is receiving financial assistance on the date of the enactment of the Housing and Community Development Act of 1987 [enacted Feb. 5, 1988], there must be presented either—

(A) alien registration documentation or other proof of immigration registration from the Immigration and Naturalization Service that contains the individual's alien admission number or alien file number (or numbers if the individual has more than one number), or

(B) such other documents as the Secretary determines constitutes reasonable evidence indicating a satisfactory immigration status.

(3) If the documentation described in paragraph (2)(A) is presented, the Secretary shall utilize the individual's alien file or alien admission number to verify with the Immigration and Naturalization Service the individual's immigration status through an automated or other system (designated by the Service for use with States) that—

(A) utilizes the individual's name, file number, admission number, or other means permitting efficient verification, and

(B) protects the individual's privacy to the maximum degree possible.

(4) In the case of such an individual who is not a citizen or national of the United States, is not 62 years of age or older, and is receiving financial assistance on the date of the enactment of the Housing and Community Development Act of 1987 [enacted Feb. 5, 1988], if, at the time of application or recertification for financial assistance, the statement described in paragraph (1) is submitted but the documentation required under para-

graph (2) is not presented or if the documentation required under paragraph (2)(A) is presented but such documentation is not verified under paragraph (3)—

(A) the Secretary—

(i) shall provide a reasonable opportunity to submit to the Secretary evidence indicating a satisfactory immigration status, or to appeal to the Immigration and Naturalization Service the verification determination of the Immigration and Naturalization Service under paragraph (3), and

(ii) may not delay, deny, reduce, or terminate the individual's eligibility for financial assistance on the basis of the individual's immigration status until such a reasonable opportunity has been provided; and

(B) if any documents or additional information are submitted as evidence under subparagraph (A), or if appeal is made to the Immigration and Naturalization Service with respect to the verification determination of the Service under paragraph (3)—

(i) the Secretary shall transmit to the Immigration and Naturalization Service photostatic or other similar copies of such documents or additional information for official verification,

(ii) pending such verification or appeal, the Secretary may not delay, deny, reduce, or terminate the individual's eligibility for financial assistance on the basis of the individual's immigration status, and

(iii) the Secretary shall not be liable for the consequences of any action, delay, or failure of the Service to conduct such verification.

(5) If the Secretary determines, after complying with the requirements of paragraph (4), that such an individual is not in a satisfactory immigration status—

(A) the Secretary shall deny or terminate the individual's eligibility for financial assistance, and

(B) the applicable fair hearing process shall be made available with respect to the individual.

(6) For purposes of paragraph (5)(B), the applicable fair hearing process made available with respect to any individual shall include not less than the following procedural protections:

(A) The Secretary shall provide the individual with written notice of the determination described in paragraph (5) and of the opportunity for a hearing with respect to the determination.

(B) Upon timely request by the individual, the Secretary shall provide a hearing before an impartial hearing officer designated by the Secretary, at which hearing the individual may produce evidence of a satisfactory immigration status.

(C) The Secretary shall notify the individual in writing of the decision of the hearing officer on the appeal of the determination in a timely manner.

(D) Financial assistance may not be denied or terminated under the completion of the hearing process.

For purposes of this subsection, the term "Secretary" means the Secretary of Housing and Urban Development, a public housing agency, or another entity that determines the eligibility of an individual for financial assistance.

(e) Regulatory actions against entities for erroneous determinations regarding eligibility based upon citizenship or immigration status.—The Secretary of Housing and Urban Development shall not take any compliance, disallowance, penalty, or other regulatory action against an entity with respect to any error in the entity's determination to make

an individual eligible for financial assistance based on citizenship or immigration status—

(1) if the entity has provided such eligibility based on a verification of satisfactory immigration status by the Immigration and Naturalization Service,

(2) because the entity, under subsection (d)(4)(A)(ii) (or under any alternative system for verifying immigration status with the Immigration and Naturalization Service authorized in the Immigration Reform and Control Act of 1986 (Public Law 99-603)), was required to provide a reasonable opportunity to submit documentation,

(3) because the entity, under subsection (d)(4)(B)(ii) (or under any alternative system for verifying immigration status with the Immigration and Naturalization Service authorized in the Immigration Reform and Control Act of 1986 (Public Law 99-603)), was required to wait for the response to the Immigration and Naturalization Service to the entity's request for official verification of the immigration status of the individual, or

(4) because of a fair process described in subsection (d)(5)(B) (or provided for under any alternative system for verifying immigration status with the Immigration and Naturalization Service authorized in the Immigration Reform and Control Act of 1986 (Public Law 99-603)).

(f) Verification system; liability of State or local government agencies or officials; prior consent agreements, court decrees or court orders unaffected.—(1) Notwithstanding any other provision of law, no agency or official of a State or local government shall have any liability for the design or implementation of the Federal verification system described in subsection (d) if the implementation by the State or local agency or official is in accordance with Federal rules and regulations.

(2) The verification system of the Department of Housing and Urban Development shall not supersede or affect any consent agreement entered into or court decree or court order entered prior to the date of the enactment of the Housing and Community Development Act of 1987 [enacted Feb. 5, 1988].

(g) Reimbursement for costs of implementation.—The Secretary of Housing and Urban Development is authorized to pay to each public housing agency or other entity an amount equal to 100 percent of the costs incurred by the public housing agency or other entity in implementing and operating an immigration status verification system under subsection (d) or under any alternative system for verifying immigration status with the Immigration and Naturalization Service authorized in the Immigration Reform and Control Act of 1986 (Public Law 99-603).

(Oct. 8, 1980, P.L. 96-399, Title II, § 214, 94 Stat. 1637; Aug. 13, 1981, P.L. 97-35, Title III, Subtitle A, Part 2, § 329(a), 95 Stat. 408; Nov. 6, 1986, P.L. 99-603, Title I, Part C, § 121(a)(2), 100 Stat. 3386; Feb. 5, 1988, P.L. 100-242, Title I, Subtitle B, § 164(a)-(f)(1), 101 Stat. 1860.)

HISTORY; ANCILLARY LAWS AND DIRECTIVES

References in text:

"Section 101 of the Housing and Urban Development Act of 1965", referred to in this section, is Act Aug. 10, 1965, P.L. 89-117, Title I, § 101, 79 Stat. 453. For full classification of such section, consult USCS Tables volumes.

"The Immigration Reform and Control Act of 1986 (Public Law 99-603)", referred to in this section, is Act Nov. 6, 1986, P.L. 99-603, 100 Stat. 3359, which appears generally as 8 USCS § 1101 et seq. For full classification of such Act, consult USCS Tables volumes.

Explanatory notes:

This section was not enacted as part of Act Sept. 1, 1937, which generally comprises this chapter.

Amendments:

1981, Act Aug. 13, 1981 (effective 10/1/81, as provided by § 371(a) of such Act, which appears as 12 USCS § 3701 note) substituted this section for one which read:

"(a) Notwithstanding any other provision of law, the Secretary of Housing and Urban Development may not make financial assistance available for the benefit of any nonimmigrant student-alien.

"(b) For purposes of this section—

"(1) the term 'financial assistance' means financial assistance made available pursuant to the United States Housing Act of 1937, section 235 or 236 of the National Housing Act, or section 101 of the Housing and Urban Development Act of 1965; and

"(2) the term 'nonimmigrant student-alien' means (A) an alien having a residence in a foreign country which he or she has no intention of abandoning, who is a bona fide student qualified to pursue a full course of study and who is admitted to the United States temporarily and solely for purpose of pursuing such a course of study at an established institution of learning or other recognized place of study in the United States, particularly designated by him or her and approved by the Attorney General after consultation with the Department of Education of the United States, which institution or place of study shall have agreed to report to the Attorney General the termination of attendance of each nonimmigrant student, and if such institution of learning or place of study fails to make reports promptly the approval shall be withdrawn, and (B) the alien spouse and minor children of any such alien if accompanying him or her or following to join him or her."

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT,

October 30, 1987.

Interim Instructions for Admission to or Occupancy of Assisted Housing Units: Citizenship/Alien Status

1. Programs Affected.—These interim instructions are applicable to: Public Housing; Indian Housing; All Sections 23 Leased Housing Programs; Turnkey III; Section 8 Certificate and Housing Voucher Programs, Moderate Rehabilitation Program; Rent Supplement; Section 236; Section 8 New Construction and Substantial Rehabilitation.

2. Interim Instructions.—This Notice provides further guidance to Public Housing Agencies and Indian Housing Authorities (both referred to as PHAs) and housing owners concerning inquiries about citizenship/alien status of applicants and tenants.

Restrictions against providing housing assistance to aliens—whether nonimmigrant student-alien or the subsequently disqualified categories—derive from section 214 of the Housing and Community Development Act of 1980, as amended (42 U.S.C. 1436a). On November 21, 1986, HUD published a notice in the Federal Register (51 FR-42088) indefinitely deferring the effective date of the Alien Rule published on April 1, 1986 to implement section 214, as amended. That notice also stated:

"It is the position of the Department that the statutory prohibition on housing assistance for illegal aliens, which is contained in section 214 as amended by the 1986 immigration reform legislation, is not self-implementing. Owners and PHAs may not take any action to deny or terminate assistance pursuant to section 214 before the effective

date of a HUD regulation implementing this statute."

Because of the prohibition against enforcing restrictions under section 214 owners and PHAs may not deny or terminate program participation to persons based on their status as aliens (including nonimmigrant student-alien).

Previous notices to PHAs and housing owners recited the reasons for delay in implementation of a rule restricting assistance to aliens. Notice PIH 86-18 (July 31, 1986) indicated that PHAs and housing owners were not to require applicants or tenants to produce documents regarding citizenship or alien status before September 30, 1986. After the November 21, 1986 Federal Register notice indefinitely postponed the implementation of alien restrictions, HUD issued Notice PIH 86-25 (November 24, 1986) to all PHAs and HUD Field Offices, as well as memoranda (December 1, 1986) from the Office of Housing for routing to affected project owners. Those documents stated that "... until further notice, no steps may be taken to require families to submit documents to show citizenship or alien status."

This Notice is intended to clarify that—because of the prohibition on requiring documentation and denying or terminating assistance on the basis of alien status—until a new rule becomes effective, PHAs and housing owners must refrain from inquiring as to citizenship or alien status of applicants and family members in connection with selection for admission, or for the purpose of determining eligibility for continued assistance under these programs.

This clarification concerning alien status also applies to students who might be classified as nonimmigrant student-alien, as well as to other applicants and assisted families. Any previous instruction prohibiting assistance to nonimmigrant student-alien currently is inapplicable.

Further regulations will be issued before prohibitions on assistance based on citizenship or alien status are implemented.

JAMES E. BAUGH,
General Deputy Assistant
Secretary for
Public and Indian
Housing.

Assistant Secretary for
Housing-Federal
Housing Commission-
sioner.

Mr. KEMPTHORNE. Mr. President, I want to set the record straight regarding my vote in support of the fiscal year 1995 Commerce, State, and Justice conference report. While I strongly support the conference report's increased funding for the Justice Department's crime fighting activities, I oppose the amount of funding provided to pay for the U.S. share of the U.N. peacekeeping assessment.

At present, the United States pays over 30 percent of the United Nations peacekeeping bill. The Clinton administration is trying to reduce our share of these costs to 25 percent and I strongly support this effort. In addition, I believe that the United Nations does not give the United States credit for a variety of activities we contribute in support of U.N. peacekeeping operations, humanitarian missions, and Security Council resolutions. Earlier this

year, the Congress approved a \$1.2 billion supplemental appropriations bill to cover these "donated" costs to the United Nations. I believe that our representatives at the United Nations ought to seek approval of a formula that would credit countries, like the United States, that voluntarily contribute military forces and services to U.N. operations.

Under the current U.N. process, we must put our forces under U.N. command if we want to be reimbursed for our participation in U.N. operations. I think the current reimbursement process at the United Nations puts the United States in the unpleasant situation of paying for everything ourselves or putting our troops under U.N. command. Given the acknowledged weaknesses in the U.N. command and control infrastructure, I strongly oppose any effort to put U.S. troops under U.N. command. In light of this situation, I believe we need to press the United Nations to alter its reimbursement policies so that the United States can participate in peacekeeping operations without having to make the choice of passing the total bill to the American taxpayers or putting our troops under U.N. commanders.

Mr. President, I wanted to make this clarification and I yield the floor.

THE ISSUE OF GLOBAL CLIMATE CHANGE

Mr. CRAIG. Mr. President, I rise to register my strong concern regarding the position to be taken by the Clinton administration at next week's meeting in Geneva of the International Negotiating Committee for a Framework Convention on Climate Change, or "INC" as it is known.

At the last INC meeting in February, the U.S. delegation flatly announced that the commitments contained in the Climate Change Treaty were inadequate. In fact, the treaty at that point had not even entered into force. Now I ask you: how is it possible to make an informed judgment about the adequacy of a treaty whose terms have not yet even taken hold?

Of further concern is the fact that the Climate Change Treaty already outlines a process for considering the adequacy issue, a process which the Clinton administration seems intent on circumventing. Under the treaty, ratifying countries are required to review the document's adequacy at their first official session in March 1995 in Berlin.

The review is to be carried out "in light of the best available scientific information and assessment on climate change and its impacts, as well as relevant technical, social and economic data." While I fully support the concept that public policy should be based on a firm scientific foundation, I understand the next full scientific assessment of climate change is not due until late 1995. Moreover, I understand much of the data gathered on climate change since the last scientific assessment in

1992 does not support the notion that changes are necessary.

Notwithstanding these concerns, the U.S. delegation appears to be on the verge of beginning work on a protocol, amendment, or political declaration at next week's INC meeting. As under Secretary of State and former Senator Tim Wirth said recently, "As a first priority for the future, we need to set an aim that can guide our efforts for the initial period after the year 2000."

Likewise, Assistant Secretary of State Wendy Sherman said recently,

If work is not done at the INC meetings in August and next February, it seems unlikely that the conference of the parties [next March in Berlin] will be able to achieve meaningful results.

I am concerned such "meaningful results" might include support for nations like Germany and the Netherlands which are calling for protocols setting mandatory greenhouse gas emissions reduction targets and timetables for developed countries 20 to 25 percent below 1990 levels by the year 2005.

Separately, the Clinton administration is charging ahead on the domestic front as well. Last October, the president issued a 50-point climate change action plan that commits the United States to reduce its greenhouse gas emissions to their 1990 level by the year 2000. The plan relies primarily upon voluntary measures by industry to reduce greenhouse gases.

However, the administration is now discussing the possibility that additional mandatory controls on emissions of greenhouse gases may be necessary. Ironically, according to an August 16 article in the New York Times, one reason for this is that strong economic growth has led to increased greenhouse gas emissions.

Mr. President, the Clinton administration should resist the temptation both internationally and domestically to embrace new emissions reduction targets, higher taxes, or other regulatory regimes. The potential damage to the U.S. economy and to its international trade competitiveness, with attendant job losses, cannot be justified on the basis of the current state of the science.

In addition, any future changes in the treaty must address the question of participation by the nonindustrialized nations of the world. It is widely acknowledged that greenhouse gas emissions from developing nations will far outstrip those from the United States and the rest of the developed world in the years ahead.

The U.S. delegation in Geneva should focus on assuring a careful assessment of what other countries are doing, with the objective of moving them to the level of commitment that the United States has already made, based on a careful understanding of the science of climate change.

CONCLUSION OF MORNING BUSINESS

The PRESIDENT pro tempore. Under the order, morning business is closed.

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 1995—CONFERENCE REPORT

The PRESIDENT pro tempore. The Senate will proceed to the consideration of the conference report accompanying H.R. 4603, which the clerk will report.

The assistant legislative clerk read as follows:

The committee on conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4603) a bill making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies programs for the fiscal year ending September 30, 1995, and making supplemental appropriations for these departments and agencies for the fiscal year ending September 30, 1994, and for other purposes, having met after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all of the conferees.

(The conference report is printed in the House proceedings of the RECORD of August 16, 1994.)

The PRESIDENT pro tempore. Time for debate on the conference report will be limited to 1 hour under the previous order, the time to be equally divided and controlled in the usual form, which means that the manager of the bill, Mr. HOLLINGS, will control half the time and the ranking manager, Mr. DOMENICI, will control the other half of the time.

Mr. HOLLINGS addressed the Chair.

The PRESIDENT pro tempore. Senator HOLLINGS.

Mr. HOLLINGS. Mr. President, I am pleased to present the conference report on H.R. 4603, the fiscal year 1995 Commerce, Justice, and State, the Judiciary and related agencies appropriations bill.

In total, the conference agreement includes \$26.8 billion in budget authority for fiscal year 1995. The Congressional Budget Office estimates these appropriations will result in outlays totaling \$25.4 billion. Also included in this bill are fiscal year 1994 supplemental appropriations totaling \$1.195 billion for Small Business Administration disaster loans, EDA disaster assistance grants and payment of UN peacekeeping arrearsages.

This bill is \$892 million in budget authority and \$676 million in outlays below the President's budget request.

I should note straight off that this bill does not contain all the initiatives and funding levels included in the Senate-passed bill. That's not only because of the usual give-and-take in a conference. It is largely because the full House Appropriations Committee

would not agree to the Senate's allocation for this bill. So this conference agreement had to be squeezed into a new section 602(d) allocation that is \$338 million in budget authority and \$185 million in outlays below the Senate-passed bill. So, no one should be surprised to learn that we had to reduce a lot of programs below the levels included in the bill we passed a few weeks ago.

The priority in this conference agreement continues to be law enforcement, State and local assistance as well as Federal. Title VIII of the conference agreement provides \$2.345 billion in funding for programs under our jurisdiction that were authorized in the crime bill conference. This includes \$1.3 billion for "cops on the beat"; \$100 million to upgrade criminal history records; \$450 million for the Byrne Formula Grant Program, and \$130 million to reimburse States for the cost of incarcerating illegal aliens.

Highlights by agency are as follows:

FOR THE JUSTICE DEPARTMENT

In total, the conference agreement provides \$12.305 billion for Department of Justice Programs in fiscal year 1995. That's \$2.706 billion above last year's level and \$161 million more than the House-passed bill.

The conference agreement includes \$757 million for the DEA-increasing-on-board agent strength by 311 in fiscal year 1995; \$2.207 billion is provided the FBI-increasing on-board agent strength by 436 in fiscal year 1995 as well as restoring critical attorney and laboratory positions at headquarters; and \$852 million is provided U.S. attorneys, restoring assistant U.S. attorney positions and implementing a new violent crime task force initiative.

For the INS, the conference agreement includes program enhancements totaling \$428 million, a 41-percent increase above fiscal year 1994 enacted levels to implement a new, aggressive immigration initiative. Included in these enhancements are 700 new and 250 redirected border patrol agents; 310 additional land border inspectors; 168 new airport inspectors; \$155 million for new automation and communication equipment; \$50 million to support border infrastructure projects, and \$24 million to speed up asylum processing. Also included in the agreement is \$75 million for the immigration emergency fund to deal with crises like we are witnessing in Florida right now.

The conferees have also provided funds to address court security requirements of the U.S. Marshals Service, and the agreement provides \$280.5 million for prison construction and \$2.356 billion for the salaries and expenses of the Federal Prison System. When combined with carryover funds of \$30 million, the operating budget for the Bureau of Prisons will have increased some \$406 million over last year.

FOR THE JUDICIARY

The conference agreement provides \$2.905 billion for the Federal judiciary. That's \$164 million or 6 percent more than last year and will fully support court security needs, fees of jurors and commissioners, and court appointed counsel costs when adjusted to reflect the downward projections in the number of representations. For the court of appeals, district courts, and other judicial services the conference agreement provides funding to support increased workload requirements for probation and pretrial services, and deputy clerks' offices.

COMMERCE DEPARTMENT

In total, we have recommended \$4.218 billion for Commerce. That is \$187 million above the House bill and \$10 million above the President's budget request.

NOAA: \$1.960 billion—\$35 million over 1994: NOAA programs are increased \$148 million over the budget request and \$122 million over the House. There are no fisheries fees legislated or assumed as proposed by the budget and the House bill. We have retained much of my "ocean initiative" to enhance NOAA's ocean and coastal programs, like sea grant, coastal zone management, ocean remote sensing, and marine fisheries.

NIST: \$854.7 million—\$334.5 million over 1994: the conference agreement provides an increase of \$335 million for National Institute of Standards and Technology Programs. This is \$14.6 million above the House and \$24 million below the Senate. We have increased funding for my manufacturing technology center program.

EDA: \$440 million—\$89.6 million over 1994: we've recommended an increase of \$28.7 million above the budget and \$69 million above the House. We have secured \$120 million for defense conversion.

We also have recommended the following amounts for other bureaus in commerce: \$266 million for the International Trade Administration; \$116 million for the National Telecommunications Administration, including \$64 million for National information infrastructure grants.

STATE DEPARTMENT AND INTERNATIONAL PROGRAMS

State operations: \$2.729 billion—\$29 million over 1994: We've done our best to fund the State Department's operations. We haven't done as well as I would have liked. We have settled at about a split—\$55 million below the Senate and \$57 million above the House. We have provided the full request for buildings and operations, and have included the new Embassy in Ottawa, Canada and additional funds for real property maintenance and restoration of our historical buildings, like the ambassador's residence in Buenos Aires, Argentina.

International peacekeeping: \$1.203 billion. Our recommendation fully

funds the President's request for U.N. peacekeeping. We have provided \$981 million for arrearages. We have fully funded annual requirements requested in the budget of \$222 million.

Voice of America/Radio Free Europe: \$554.1 million. This agreement provides \$554 million for the operations and facilities of the Voice of America and Radio Free Europe/Radio Free Liberty. We got the House to agree to drop its restrictive language that prevented radio free Europe's move to Prague but we have taken action to ensure that the Federal Government is not being expected to pay more than its fair share for this move.

Radio Free Asia: \$10 million. We have included \$10 million for the new Radio Free Asia Program. We also have provided \$5 million under the Radio Construction Program to begin a new shortwave transmitter for the Voice of America and Radio Free Asia to be built in the Northern Mariana Islands. We need to get this capability to ensure broadcasting across Asia.

TV and Radio Marti: \$24.8 million.

I am pleased to note that the conference report includes the Senate proposed level for Radio and TV Marti. I know that many of my colleagues who joined me on the floor—Senators GRAHAM, MACK, LIEBERMAN, LAUTENBERG, and DOLE—will be pleased that we are not going to retreat in our opposition to the Castro dictatorship. This conference report fully carries out the recommendations of the advisory panel on Radio and TV Marti, and it gives Dr. Joe Duffey the resources to improve this high priority program.

INDEPENDENT AGENCIES

SBA: \$814.5 million—\$106 million above 1994. The agreement provides \$106 million more than 1994 in discretionary appropriations, which is a 16-percent increase. For business loans we have recommended \$278.3 million to subsidize \$10.5 billion in credit. Included in that number is \$55.6 million for microloans and \$30 million for section 503 refinancing. In addition, the conference agreement includes a \$470 million supplemental for SBA disaster loans to deal with the increased activity in Los Angeles resulting from the earthquake, floods in the southeast and now tornados in my home State of South Carolina.

Federal Communications Commission: We have recommended total budgetary resources of \$185.2 million, of which \$68.8 million is from direct appropriations. We have rejected the president's proposal to eliminate direct appropriations for the FCC and we have brought back an agreement that provides \$18.4 million more in resources than the House bill. The administration seems to want to turn that "information super highway" into an "information toll road." We are not going to do that. This Congress is going to pass a telecommunications bill and get the

FCC moving. We all know how important this agency is to fostering the development of new communications industries. We need to give the FCC the resources to do its job.

The conference agreement includes two legislative provisions that were included in the Senate bill at Chairman BYRD's request.

First, the first amends the Foreign Relations Act to require the State Department to start taking fingerprints of immigrant visa applicants to ensure that they do not have State or Federal felony convictions in the United States. The State Department stopped performing any checks on these people in 1990. The provision will require a fingerprinting test in the 10 countries with the highest volumes of visa applicants. The agreement allows the State Department to charge applicants for the cost of performing these fingerprint checks and reimbursing the FBI.

Second, the second amends the Immigration and Nationality Act to allow immigrant visa applicants to adjust their status in the United States with the Immigration Service rather than going overseas and adjusting status at an overseas post. These individuals have to pay a fee to the INS that is five-times higher than the existing fee for changing immigration status and it requires all applicants to be fingerprinted and have full background checks to ensure that they have not been convicted of a felony in the United States. This provision only relates to cases where an immigrant can already apply for a visa, it does not change the requirements for the application or when the applicant can be provided with a visa. It also provides the Immigration and Naturalization Service with at least \$50 million in additional revenue.

SEC

Securities and Exchange Commission:

One compromise in this bill I am not pleased with is what we have been forced to do regarding the Securities and Exchange Commission. The House committee tried to fund the SEC through fees, but was stopped on the House floor by Chairman DINGELL. The bill that passed the House would require the SEC to shut down on October 1. The Senate-passed bill maintained fees and appropriations at current levels and provided the SEC with its full budget request of \$306 million. The Senate Appropriations Committee and the Senate did the right thing.

But after the bill passed the Senate, the House Ways and Means Committee threatened to "blue slip" this conference report if the conferees did the right thing and agreed to the Senate language. Chairman GIBBONS made clear that he did not care what the impact would be on law enforcement, small business disaster assistance, and U.N. peacekeeping shortfalls, because

of a narrow interpretation of the House rules, he made clear that he would "blue slip" or kill this conference report.

I think that Mr. GIBBONS and Chairman DINGELL are playing a dangerous game. At the same time the Congress is trying to pass a crime bill to combat violent crime, they seem intent on destroying the SEC and giving a boost to fraud and white collar crime. They seem to have no regard for what the elimination of the SEC would do to the securities markets and the formation of capital in this country.

But, they have us, no matter what we on the Appropriations Committee and the Conference were to do—even if we went back in true disagreement and the Senate voted to insist on its position. Chairman GIBBONS made clear that he would "blue slip" this conference report and kill the entire Commerce, Justice, and State bill.

We could not let that happen. So, Chairman MOLLOHAN and I have done our best and provided the SEC with \$125 million in budgetary resources, which is enough to get them through February. I hope by then the House Ways and Means and the Energy and Commerce Committees can either raise these fees themselves or let us do so and stop holding the SEC hostage.

SBA DISASTER ASSISTANCE

I want to reiterate, Mr. President, that it is critically important that we get this bill through the Senate and to the President quickly. The Small Business Administration ran out of disaster loan funds on Wednesday of this week. This bill includes \$470 million which will subsidize up to \$2 billion of additional loan authority. With floods in Georgia, tornadoes in South Carolina, and wildfires in the West and Northeast. We need to expedite this bill and get it to President Clinton for his signature.

In conclusion, I especially want to recognize the new House Chairman, ALAN MOLLOHAN. He took over this Commerce, Justice, and State bill just a few months ago and has impressed everyone with his diligence and hard work. He has really taken command of it and has mastered the facts. And, I want to recognize my vice chairman, Senator DOMENICI who has worked so hard on this bill and helped put a priority on law enforcement. He has been instrumental in putting together the immigration initiatives and border patrol enhancements in this bill.

Finally, I want to recognize our subcommittee staff: Scott Gudes, Dorothy Seder, John Shank, Lula Edwards, and Jeff Goldstein.

RECOGNITION OF JEFF GOLDSTEIN

Mr. President, I just want to take a minute to recognize Jeffrey D. Goldstein who is a presidential management intern from the Defense Logistics Agency on detail to our Commerce, Justice and State Subcommittee. He

has been serving with my staff since February.

Jeff is a graduate of Cornell University and holds a master's degree in public administration from the Maxwell School at Syracuse University. He specialized in labor/management relations and previously worked with a variety of labor organizations. During his tenure with us, Jeff was responsible for the review of and making recommendations for the Census Bureau, Economic and Statistics Administration, the Arms Control and Disarmament Agency, and the Federal Trade Commission. Jeff was responsible for keeping the numbers databases for the subcommittee and in helping draft the committee bill and report. He put in long hours and became an integral member of my subcommittee staff.

I recently learned that Jeff will be leaving the Senate soon, to take a position with the National Security Division of the Office of Management and Budget [OMB] in the Executive Office of the President. He will be working on pay and compensation policy.

Alice Rivlin is getting a real winner. I know Jeff will continue to be a credit to the professional civil service. On behalf of all the subcommittee members, I want to wish him the best.

Mr. CRAIG. Madam President, I note that the conference report on H.R. 4603, the Commerce, Justice, State, and Judiciary appropriations bill, adopts the Senate's position on Chinese munitions imports—an amendment proposed by Senator DECONCINI and myself. I am pleased the House and Senate conferees agreed that this language is necessary to grant transitional relief to U.S. importers in the interests of simple fairness.

I have spoken with many Members in the House and Senate who are following the situation that generated this provision. These comments are offered to update those who have a particular interest in the matter, and to assist in understanding and implementing this language.

By way of background, on May 26, 1994, the President of the United States decided to impose a ban on the import of munitions from the People's Republic of China [PRC]. On May 28, 1994, the Secretary of State requested that the Department of Treasury take all necessary steps to prohibit the import of such munitions. The ban was officially implemented at 12:01 a.m. eastern daylight time on May 28, 1994 to carry out the President's decision.

As a result, any munitions on the munitions import list of the Bureau of Alcohol, Tobacco and Firearms [BATF], which are manufactured, produced or merely exported from the PRC are prohibited from importation into the United States. BATF is not processing any permits for permanent import of the affected munitions. Additionally, munitions and arms in bond,

in port, in a foreign trade zone or in-transit at the time of the embargo have been prohibited from entry into the United States for consumption. Furthermore, as of May 28, 1994, all current permits to import such munitions from China were deemed null and void.

U.S. importers had no prior notice of the President's action or the Secretary's interpretation of it. Goods they purchased that were already licensed for import and on the way to the United States were suddenly thrown in limbo—indeinitely detained in the United States or held in China following their return to that country. The result is that U.S. companies are being forced to breach purchase agreements, suffer unnecessary financial harm, and undermine ongoing commercial relationships.

It was only a few days ago that BATF issued a notice that may provide some relief to those who have items that were in bond, in port, or in foreign trade zone prior to 12:01 a.m. eastern daylight time, May 28, 1994. This notice, however, provided no hope or help to the many importers who had shipments en route to the United States at the time of the embargo.

The conference report provision has the effect of allowing entry, for U.S. consumption, arms and munitions for which:

First, authority had been granted on or before May 26, 1994, under the applicable permits and licenses, or ATF Form 6, to import such arms and munitions into the United States, and

Second, which were, on or before May 26, 1994, in a bonded warehouse or foreign trade zone, or in port, or

Third, which were, on or before May 26, 1994, as determined by the United States on a case-by-case basis, in transit.

With regard to the last category, in transit, the case by case review language as added specifically to respond to a concern raised by the administration about establishing the date of departure of goods from China. The review is intended to allow an expeditious factual determination as to whether or not the arms or munitions licensed to be imported were actually in a state of being transported or shipped to the United States on or before May 26, 1994. Like the other categories, in bond, in port or in a foreign trade zone, that review is not intended to reopen the question whether the arms or munitions are importable because of their type or kind, since it is a requirement for this transitional relief that they were already approved for entry at, or prior to, the time of the embargo.

This provision does not reverse or erode the President's order or his authority to effect foreign policy. In the past, U.S. companies have been given notice of granted concessions for

intransit goods before such policy changes were implemented—in order to minimize unnecessary financial harm and honor commercial relationships and agreements. Examples include the implementation of the ban on Nicaraguan imports and the ban on purchases from Toshiba and Kongsburg Vaapenfabrikk under the Trade and Competitiveness Act of 1988. H.R. 4603 would grant one-time transitional relief for a strictly limited class.

I hope with the passage and enactment of this language, that the Bureau of Alcohol, Tobacco and Firearms will not wait to take action but instead will immediately issue a letter to all importers inviting them to submit the necessary documentation to get quick approval to bring into the United States those goods that were in transit at the time of the embargo.

STATEMENT ON THE COMMERCE, JUSTICE, STATE APPROPRIATIONS CONFERENCE BILL

Mr. SASSER. Mr. President, the Senate Budget Committee has examined H.R. 4603, the Commerce, Justice, State appropriations conference bill and has found that the bill is under its 602(b) budget authority allocation by \$108 million and under its 602(b) outlay allocation by \$37 million.

I compliment the distinguished manager of the bill, Senator HOLLINGS, and the distinguished ranking member of the Commerce, Justice, State Subcommittee, Senator DOMENICI, on all of their hard work.

Mr. President, I have a table prepared by the Budget Committee which shows the official scoring of the Commerce, Justice, State appropriations conference bill and I ask unanimous consent that it be inserted in the RECORD at the appropriate point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

SENATE BUDGET COMMITTEE SCORING OF H.R. 4603— FISCAL YEAR 1995 COMMERCE, JUSTICE, STATE APPROPRIATIONS—CONFERENCE BILL

(In millions of dollars)

Bill Summary	Budget authority	Outlays
Discretionary totals:		
New spending in bill	26,344	18,590
Outlays from prior years appropriations		6,322
Permanent/advance appropriations	0	0
Supplementals	2	-0
Subtotal, discretionary spending	26,346	24,912
Mandatory totals:		
Bill total	527	515
Senate 602(b) allocation	26,873	25,427
	26,981	25,464
Difference	-108	-37
Discretionary totals above (+) or below (-):		
President's request	-855	-669
House-passed bill	306	102
Senate-reported bill	-275	-187
Senate-passed bill	-369	-186
Defense	75	305
International Affairs	5,494	5,535
Domestic Discretionary	20,777	19

Mr. DOMENICI. Mr. President, I yield myself 10 minutes.

The PRESIDENT pro tempore. The Senator is recognized for 10 minutes.

Mr. DOMENICI. Mr. President, this conference bill is truly a crime bill. The moneys that are contemplated to be spent under the new trust fund, if it ever takes place, have already been allocated by the Appropriations Committee under the leadership of the Presiding Officer. This committee has funded for 1995 many of the provisions that require funding under the so-called crime bill that is currently in dispute in the U.S. House and perhaps in the U.S. Senate. So I am very pleased to report this bill to the Senate.

Obviously, every conference report has provisions in it that either the ranking member or the chairman do not totally agree with. There are some provisions in this bill I would prefer not be there. Nonetheless, overall, it is a very real credit to the process. Sometimes it seems to me that we get bogged down and cannot get our work done. But in this case, it seems to this Senator that this bill is a giant step in the direction of the U.S. Government committing itself to fight crime.

Let me go through what we did and why we did it and highlight just a few things.

First, I must remind those who are interested in the crime bill that, yes, the President is talking about this crime bill and wants it very badly. But if one were to look at his budget that he sent down here just a few months ago, which we are not incorporating in appropriations in this bill, you would find that at that time, not too many months ago, the President's budget had major reductions in many Federal law enforcement programs. The President chose other programs instead of the Federal law enforcement activities. For instance, the Federal Bureau of Investigation would have lost 861 positions. The Drug Enforcement Administration would have lost 93; the U.S. attorneys, instead of growing in numbers under the heavy burden of more prosecutions, would have lost 123 positions; the criminal division, with some very major, new responsibilities, would have lost rather than even remained constant in terms of its efforts.

So we have rejected all of those proposals that were included in the President's budget. The FBI will receive \$75 million, 436 new agents, and as my distinguished friend and chairman of this committee said; the DEA, instead of going down, will go up, 311 agents. We all think that is a very professional organization. They have, in the last few years, begun to do a very good job in terms of fighting illegal drugs in the United States. And, yes, the U.S. attorneys, I think, as a body and as a whole in America, are probably as good as prosecutors and fighters of crime as we now have. Their funding will go up \$15 million for the violent crime task forces. That is very important. They are beginning to make some real headway in this area.

Another issue that was focused on in this bill are the so-called Byrne grants. These Byrne grants are a formula grant program for the States. And what happened in the President's budget, first, the President decided to terminate this program—probably the most effective program to help our States fight crime. A little later, they found \$125 million for it. The truth of the matter is, that was a huge cut over previous Byrne grant funding to our States. We have rejected efforts to terminate or dramatically reduce this fund. In fact, we have restored funding and increased it \$92 million over the 1994 levels. Any Senator can tell his Governor that the Byrne grants not only were recaptured and held in this budget, but each State will get a little bit more for the excellent crime fighting that occurs because of this grant program.

The formula grant program is used by States for a variety of things. I want to just mention a few. Over 950 task forces and drug units have been established or expanded throughout the country with these funds. Just taking my own State for a moment, there are 11 multijurisdictional law enforcement task forces funded through this program. These task forces integrate Federal, State, and local law enforcement in ways that have never been done before, and they are extremely effective.

In addition, we all hear that one of the best programs going for our young people is a program called DARE. We see it all over our cities and our States. That program would have been terminated if the Byrne grants would have been terminated. Each State will now be able to continue and, perhaps, add to this very significant drug abuse resistance education program, where policemen work in the schools with our young people to talk about what is bad about crime, what is bad about drugs.

Mr. President, I ask unanimous consent that a chart be printed in the RECORD which provides a comparison of the funding levels each State will receive under the Byrne grant formulas under this bill.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

OFFICE OF JUSTICE PROGRAMS, EDWARD BYRNE MEMORIAL STATE AND LOCAL LAW ENFORCEMENT ASSISTANCE FORMULA GRANT PROGRAM

(Amounts in thousands)

State/Territory	\$358 million level	\$450 million level	Increase
Alabama	\$5,827	\$7,326	\$1,498
Alaska	1,595	2,005	410
Arizona	5,465	6,869	1,404
Arkansas	3,756	4,721	965
California	37,704	47,394	9,690
Colorado	5,033	6,326	1,293
Connecticut	4,808	6,043	1,235
Delaware	1,717	2,158	441
District of Columbia	1,597	2,008	411
Florida	16,980	21,343	4,363
Georgia	8,946	11,245	2,299
Hawaii	2,278	2,864	586
Idaho	2,167	2,724	557

OFFICE OF JUSTICE PROGRAMS, EDWARD BYRNE MEMORIAL STATE AND LOCAL LAW ENFORCEMENT ASSISTANCE FORMULA GRANT PROGRAM—Continued

(Amounts in thousands)

State/Territory	\$358 million level	\$450 million level	Increase
Illinois	14,765	18,560	3,795
Indiana	7,647	9,612	1,965
Iowa	4,248	5,340	1,092
Kansas	3,904	4,907	1,003
Kentucky	5,373	6,754	1,381
Louisiana	6,007	7,551	1,544
Maine	2,368	2,976	608
Maryland	6,748	8,482	1,734
Massachusetts	8,048	10,116	2,068
Michigan	12,149	15,271	3,122
Minnesota	6,237	7,840	1,603
Mississippi	4,012	5,043	1,031
Missouri	7,088	8,909	1,821
Montana	1,878	2,360	482
Nebraska	2,810	3,532	722
Nevada	2,477	3,114	637
New Hampshire	2,220	2,790	570
New Jersey	10,184	12,800	2,616
New Mexico	2,780	3,495	715
New York	22,502	28,285	5,783
North Carolina	9,055	11,382	2,327
North Dakota	1,653	2,078	425
Ohio	14,032	17,638	3,606
Oklahoma	4,725	5,940	1,215
Oregon	4,445	5,587	1,142
Pennsylvania	15,216	19,126	3,910
Rhode Island	2,093	2,631	538
South Carolina	5,192	6,526	1,334
South Dakota	1,743	2,191	448
Tennessee	6,886	8,656	1,770
Texas	21,950	27,591	5,641
Utah	3,057	3,843	786
Vermont	1,575	1,979	404
Virginia	8,500	10,684	2,184
Washington	7,020	8,824	1,804
West Virginia	3,056	3,841	785
Wisconsin	6,866	8,630	1,764
Wyoming	1,451	1,824	373
American Samoa	1,671	1,844	173
Guam	1,054	1,325	271
N. Mariana Islands	1,331	1,416	85
Puerto Rico	5,095	6,404	1,309
Virgin Islands	1,016	1,278	262
Total	358,000	450,000	92,000

¹ In accordance with the Anti-Drug Abuse Act of 1988, as amended, these two Territories are considered as one State and the total amount available is allocated by percentage: \$358 million level: American Samoa (67%—\$671,340) and Northern Mariana Islands (33%—\$330,660); \$450 million level: American Samoa (67%—\$844,256) and Northern Mariana Islands (33%—\$415,828).

Note.—Allocations are for comparison purposes only and do not represent actual allocations. After enactment of the 1995 appropriation act, final allocations will be calculated using the latest population data available at the time.

Mr. DOMENICI. Mr. President, this conference agreement also will include language that will expand on the purposes for which Byrne grants may be used. They can now be used related to driving-while-intoxicated laws and the enforcement thereof. New Mexico took a lead in that, and the United States Senate and the House have both accepted this broadening language.

The second phase of this bill is a fight against illegal immigration. So it is a twin bill. It is a bill that fights crime, and it is a bill that puts money into the American agencies that are charged with enforcing our immigration laws. There is nothing more important than that we make a commitment on behalf of our country that we enforce our immigration laws.

The conferees recommended an increase of \$359 million for the operational accounts of the Immigration and Naturalization Service. I think this is extremely important. The \$54 million will add 700 new Border Patrol agents for our States, across the borders, and even inland where the immigration laws are being enforced.

We will also increase the automation and communication systems of the im-

migration service. It is currently outmoded and ancient. We are trying to bring it current with modern technology. There is \$24 million for increasing the asylum processing, and \$17.5 million to expedite deportation and detention activities, which is very important. Our people are giving up in many of our States as to whether we are going to enforce our immigration laws.

Let me move on. Within this crime bill, I am disappointed that we were not able to fund programs that would help our States build prisons. All we could do is start the program with \$24 million. I believe these prison grants may prove to be the most effective of all the new programs that we are likely to include in a crime bill.

I remind everyone that 65 percent of the felony defendants are released prior to trial. This includes 63 percent of all violent felony defendants. A quarter of them simply never show up in court. Approximately 11 percent of the murder arrestees and 12 percent of all violent crime arrestees are on pretrial release for an earlier case at the time they are cited with the new offense. Twenty percent have 10 or more prior arrests. Over 35 percent have one or more prior convictions.

Obviously, we can go on, but this is why the American people are discouraged and disgusted with reference to violent crimes where we have repeaters with many, many felonies still on the streets.

My last remarks have to do with cops on the beat. This is one of these provisions, I say to my fellow Senators, that if I had my way I would not have put the money in for cops on the beat. I would have given the States a grant and let them use it for crime fighting. It has been touted as 100,000 cops on the beat. This will not produce 100,000 new policemen on the beat unless the State of California or the State of South Carolina can hire a new cop for \$13,000 because 100,000 policemen with \$1.3 million, using simple arithmetic, is \$13,000 per policeman. Now, that is not going to happen. Maybe the States might decide that they will take that money and supplement it with their own money.

THE PRESIDING OFFICER (Mrs. FEINSTEIN). The 10 minutes are concluded.

Mr. DOMENICI. Could I have 2 additional minutes?

Mr. HOLLINGS. Yes.

Mr. DOMENICI. The 2 additional minutes he yields to me. My time is committed to two other Senators.

THE PRESIDING OFFICER. The Senator is recognized for 2 additional minutes.

Mr. DOMENICI. I will quickly move on.

We will not get the 100,000 policemen. If you do the simple arithmetic, it probably would permit you to hire about 20,000. But essentially when you

have to provide three policemen for around-the-clock protection, you can then divide that number by three in terms of new policemen on the beat at a given time, and now you are already down to a third of 20,000, which I guess is about 6,600.

So, frankly, I would not have spent that much money on this program. I would give the States the latitude to use it, and I would bet even cities would not have used it all there but rather to help district attorneys prosecute and to help parole boards, who are overloaded, and the like.

Let me just talk about two other provisions quickly. We were able in this bill to provide \$4 million to the Office of Women's Business Ownership of the Small Business Administration. That is a doubling of the grants program from last year. This helps some of the new organizations that are helping women in business. The fastest growing portion of our entrepreneurial system are of women-owned businesses. It is dynamic, dramatic, and very welcome. This will permit some of these organizations helping women to get programs that they did not have before.

Last, I second the comments of the chairman regarding the SEC. Frankly, if we had done this bill the way the House wanted on the SEC, the bill would have fallen. We would have no bill, or else we would have no SEC. Nobody could go along with that. That borders on irresponsibility. We have done the best we could. We found enough money to fund them through February, and, frankly, there is no more money. If those who come up with a program to pay for it in the authorizing committees do not act, then, frankly, there may be a difficult time come March or April for the SEC.

Let me close by thanking the chairman for the diligent work and the staff on both sides for their efforts, which obviously helped this Senator, who has only been on this committee a couple years, learn what I have been able to learn and do my job better.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. I yield 10 minutes to the Senator from Washington.

The PRESIDING OFFICER. The Senator from Washington is recognized for 10 minutes.

Mr. GORTON. Madam President, this appropriations bill is the crime bill for 1994.

That it is so is due to the efforts of the distinguished chairman and ranking Republican member of this appropriations subcommittee. We all, and I believe the country as a whole, owe them a debt of thanks for reorienting so much of the portion of this appropriations bill directed to the Department of Justice to affect law enforcement programs.

As compared with the bill and now with all of the headlines, this will have

a greater impact in fighting violent crime. It includes cost-effective crime prevention measures, and it was written in a bipartisan fashion and has bipartisan support.

Perhaps the single most important triumph in the bill is its generous funding of the Byrne formula grant program for interagency drug task forces across the United States. The President of the United States in his budget recommended that this highly successful program be canceled lock, stock, and barrel. Instead, we first voted in the budget resolution to continue it at the level of the current year, and by the time this bill was finished, it has actually significantly increased.

To take one example of just 48 hours old, the regional drug task force, funded partly by Byrne grants in Spokane, WA, arrested day before yesterday 18 people there and in northern Idaho in connection with a major cocaine distribution ring. One hundred and ten officers from many different organizations, even across State lines, participated in those arrests which might not have taken place did we not have these Byrne grants.

Second, Madam President, this appropriations bill funds a program called "Weed and Seed," still experimental, taking place in only perhaps 20 cities across the country. It is a demonstration project under which law enforcement officers work with people in various social service disciplines in particular neighborhoods that are afflicted with high crime rates to try to do something about them. I have visited and worked with that in the city of Seattle and find it to be a magnificently successful program.

Here we have some \$13.5 million to continue it with the understanding that the Attorney General will add another \$10 million from her discretionary funds, which will allow some expansion of the program to new communities which do not have it at the present time.

Federal law enforcement programs are particularly important. How we could conduct a war against crime under the President's budget, which was going to cut the Federal Bureau of Investigation and cut the Drug Enforcement Administration, this Senator simply does not know. These Senators, however, and this committee have increased the appropriations for the FBI in a way that will restore 250 field support positions and special agent staffing. There is an increase of some \$37 million for the Drug Enforcement Agency. There is a major increase for the Immigration and Naturalization Service. There is a restoration of the regional information sharing system, which also the President recommended eliminating. There is money for organized crime drug enforcement.

Madam President, in addition, these Senators have worked to appropriate

for some of the elements that will be in any overall crime bill which we authorize this year, ones that are particularly popular and have a particularly good future. Part of that, of course, is for community policing, and I join with the Senator from New Mexico in my questions about this quasi-subsidy, which is to be phased out over the years, as to whether or not it will be nearly as effective as simply allowing jurisdictions to make their own choices. But it has grants for the violence-against-women programs that are in that bill, which are very important.

Equally, however, it does not fund some of the dubious porkbarrel projects in that crime bill, like the Local Partnership Act, which ignores crime rates in the billions of dollars that it is to distribute; the youth employment and skills crime prevention, another unrelated jobs program on the top of the 154 or so we already have in seven or eight agencies of the Federal Government; the model intensified grant program, which is simply pork to be delivered to complacent mayors across the United States.

So, in summary, with respect to appropriations for the Department of Justice, Madam President, this is a wonderful crime bill. This will actually do something to keep the promises we have been making over the course of the last year.

I want to end as I began by commending the chairman and commending the ranking Republican under very difficult circumstances for setting their priorities in the field of crime and criminal law enforcement in a wise and judicious manner.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Does Senator GORTON have a minute left or so?

The PRESIDING OFFICER. There are 13 minutes and 28 seconds remaining.

Mr. DOMENICI. I wanted to just say to Senator GORTON, I forgot to mention in my opening remarks, as I talked about the Byrne grants, that on the budget resolution one of the very first things, where the sentiment expressed its Senate, had to do with not taking the President's budget which would have written it out, but rather to fund it at last year's level.

I believe that amendment was your amendment, was it not?

Mr. GORTON. It was.

Mr. DOMENICI. I want to commend the Senator for starting the momentum that it was brought back to life in not only fully funding, but next to \$90 million for the Byrne grants, which works probably better than any other crime fighting in terms of our cities and States.

Mr. GORTON. I thank the Senator.

Mr. DOMENICI. I yield 10 minutes to the Senator from Arizona.

The PRESIDING OFFICER. The Senator from Arizona is recognized for 10 minutes.

Mr. McCAIN. Thank you, Madam President.

First of all, I would like to thank the managers of the bill for an excellent piece of legislation. I want to associate myself with Senator GORTON's remarks, and others.

I would point out, Madam President, that some of this may come as a surprise. I was able to get a copy of this bill at 7 p.m. last night. I was able to get it only from the Republican legislative scheduling office. It was the only one she had. I note that bill itself has just been distributed to me and has not even been put out the desks as yet.

I also think it is important to note that the approval rating of Congress is around 26 percent. Thirteen percent of the American people think that Congress will do the right thing some of the time. One of the reasons for that, when you ask any American, is because of the unwarranted expenditures of their tax dollars that they do not believe receives proper scrutiny or proper authorization and is done in the dead of night or in some back room.

Madam President, this bill contains \$41 million in earmarked add-ons not considered in a deliberative manner by either the full House or the Senate; \$41 million in earmarks that were not in the Senate bill, that were not in the House bill, and were inserted in the conference.

Madam President, you know, one of the finest publications ever put out is "How Our Laws Are Made." I urge students and other citizens to read this book.

But next year, the next time it is published, I am going to urge that there be a change made in this book, because it is not correct as to how we actually do business around here.

On page 38 of this book, under the title "Authority of Conferees," it says:

The conferees are strictly limited in their consideration to matters in disagreement between the two Houses. Consequently, they may not strike out or amend any portion of a bill which was not amended by the Senate. Furthermore, they may not insert new matter that is not germane to the differences between the two Houses.

Madam President, that is how our laws are made. That is what we are telling the American people.

What did we do here? In the conference now, not in the House or in the Senate bill, there is \$2,500,000 for a grant to city of Kansas City, MO, for development of a weather environmental center; \$3,500,000 for a grant for construction of a Multispecies Aquaculture Center in the State of New Jersey.

I would like an explanation from the managers as to what a Multispecies Aquaculture Center is, why it has to be in the State of New Jersey, and what relevance—why there was not a hear-

ing in the House or a hearing in the Senate or an authorization either in the House or the Senate—Why we need a Multispecies Aquaculture Center?

One million dollars for a grant to the Mystic Seaport, Mystic, CT, for a maritime education center; \$5,200,000 for a grant to the Center for Interdisciplinary Research and Education in Indiana; and \$2 million for a grant of the construction of the Massachusetts Biotechnology Research Institute in Boston.

All of these things may be worthy, they might be vital, they may be the most important things we could ever have had. If they are, why were they not in the original bill, either one?

And the parliamentary situation, Madam President, is that there is nothing that can be done about it. If I lodged a parliamentary point of order on these insertions—that kind of word I can use—these insertions, I would be ruled out of order.

Madam President, we do not know whether these projects are valid or not. But they were inserted, \$41 million of them. And, by a rare and strange coincidence, every single one, but one, is in the district or the State of a member of the Appropriations Committee. Now, that is an incredible coincidence. Only one, in the State of Nebraska, is not.

Madam President, I know that some of these are very important. I know that \$3 million should be available for the continuation of a grant for the National Center for Genome Resources in New Mexico. I know that maybe we need \$1 million to continue a grant for the Genesis Small Business Incubator Facility, Fayetteville, AR; \$500,000 for a grant to an entity—they do not even say what the entity is—an entity in Bozeman, MT.

Maybe we need a National Data Center Small Business Institute Program in Conway, AR. Maybe we need \$2,500,000 for a grant to the city of Wheeling, WV, for the Oglebay Small Business Rural Development Center. Maybe we need \$250,000 for continuation of grant to the city of Espanola, NM, for the second phase—not the first phase, but the second phase—I would be interested in knowing how many phases there are—of the development of the Espanola Plaza project to assist small businesses and enhance economic development; \$500,000 for a grant to the Mississippi Delta small business technology project, Little Rock, AR, for technology education. On and on and on. I do not have time to go through all of them.

Here are the facts. The facts are, I repeat, it was not in the House bill, it was not in the Senate bill, so I assume they were no hearings on these projects. If there were, I would assume that the hearings would have indeed authorized and then appropriated these projects. So they were not in the House, they were not in the Senate, the

conferees gathered and then they put in 41 million dollars' worth of earmarks. Is 41 million dollars a lot of money? I do not know if it is in Washington. I know it is in Arizona—\$41 million in earmarks, which I cannot do anything about, Madam President, except wonder what a Multispecies Aquaculture Center is, except wonder why it is that Kansas City needs a weather and environmental center more than Phoenix, AZ, or Albuquerque, NM.

So, if I sound like I am frustrated, Madam President, it is because I am. But I would like for the manager of the bill at least to tell me what a Multispecies Aquaculture Center is. I would also like to know why it is that Kansas City, MO, needs a weather and environmental center.

But most important, the question I would ask the managers is why these \$41 million had to be inserted in conference? Why could they not have been put in either bill so that at least either body could have considered them? I think those are legitimate questions and I think not only this Member but the American people deserve an answer.

Madam President, I yield back the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Madam President, I am just going to respond to two things. This bill was printed in the RECORD two days ago. I regret that my friend from Arizona did not find it.

Mr. McCAIN. If I can respond, I said copies of the bill, I did not say printed in the RECORD. I said a copy of the bill was not available until last night at 7. I did not say not printed in the RECORD.

Mr. DOMENICI. I just make the point, the way we normally make it available is put it in the RECORD, and the RECORD is available to everyone. I do not want anyone to think we tried to hold this until 7:30 in the morning or 7:30 last night. It was done in the normal manner.

Second, I would like to make a point on the first item that was raised. What did the Senator call it? Aquaculture center?

Mr. McCAIN. Multispecies aquaculture center.

Mr. DOMENICI. All I know is, this is a House request that we had to give them. But this has been in the bill before so this is not showing up for the first time.

Mr. McCAIN. If the Senator will yield, he cannot tell me what it is?

The PRESIDING OFFICER. Who yields time?

Mr. HOLLINGS. I yield the time, go ahead.

Mr. McCAIN. The Senator cannot tell me what a multispecies aquaculture center is?

Mr. DOMENICI. As I told the Senator, this is a House project. But I

think the name means that this is a place where you research species of fish to be used for food. That is what it is, I assume. That is what the name says and that is what they are trying to do at a center there in that State.

Mr. MCCAIN. I thank the Senator.

The PRESIDING OFFICER. The Senator from Arizona has the floor—who yields time?

Mr. HOLLINGS. Madam President, I yield myself such time as I use.

The PRESIDING OFFICER. The Senator is recognized for such time as he may consume.

Mr. HOLLINGS. I thank the distinguished Senator.

Incidentally, Madam President, we included the full amount that was authorized relative to the incarceration of illegal aliens. It was only \$130 million under the crime bill, which is our authorization. We kept it as a separate item.

Remember, when we came to the floor what we had was a matter of taking it from the Byrne grant enlargement on the House side and from the cops-on-the-beat account on the Senate side. But the distinguished Presiding Officer, the Senator from California, requested that it be put out as a separate item, and it is a separate item and it is the full authorization. We will be working with the distinguished Presiding Officer on that.

Now addressing the concerns of the distinguished Senator from Arizona, let me point out that none of this was done in the dead of night. It was not done secretly. Everything was scrutinized. There are a lot of things in here, for instance relative to NOAA that sound strange to those unfamiliar—for instance, the multispecies aquaculture center mentioned by the Senator.

If you will just wait a couple of years, we are going to have one down in South Carolina. We are building one in my hometown. It is a wonderful thing for the youngsters who live in the inlands, not near an ocean, to come and look and see the different species of the ocean. I want to invite the Senator from Arizona to see the one we get in Charleston. I am sorry I could not get a provision in here to assist the one planned for Charleston.

Be that as it may, we do have many things in this bill that are not authorized. This is a fact of life, however at variance it may be with the civics textbooks. I will never forget, 27 years ago when I got elected, my hero was the distinguished Senator from Georgia, Senator Dick Russell. Elected on a Tuesday, I found myself Wednesday on the front porch of his little house in Winder, GA. He turned to me—we were sitting in his wonderful rocking chairs—and he said: "Now, FITS," he never called me FRITZ, he called me FITS—he said, "what committee do you want?"

I said, "I'd like to get on Armed Services."

He said, "Oh, you don't want that."

Here he was, the chairman of the very committee. I said, "I don't want that?"

He says, "No, that is all just authorizing. You want to get on the Appropriations Committee. That is where you really spend the money, give the scrutiny and appropriate the funds."

Well, I had been in the State legislature for 10 years, Governor for 4 years. We never had the bifurcation, you might say, of authorization on the one hand and appropriations on the other. And the fine gentleman got me on the Appropriations Committee.

For example, in this particular bill, the Border Patrol in Arizona is not authorized. The FBI office in Phoenix, AZ, is not authorized. The list extends much further.

Mr. DOMENICI. Justice Department.

Mr. HOLLINGS. Yes. The entire Justice Department is not authorized.

I can go over to many other things in the International Trade Administration and otherwise that are not authorized. We do, indeed, work closely with the respective authorizing committees. The distinguished Senator is on the Armed Services Committee, and present on the floor is the distinguished chairman of our Appropriations Subcommittee for Defense. He works very closely with our distinguished chairman, SAM NUNN, and with you as a member of the committee and with other members of the committee.

It is not the intent or objective of those on the Appropriations Committee to disregard authorizations. We go forward without authorization as a favor to the authorizing committee 95 percent of the time. I can tell you that. They come and say, "We haven't been able to get it authorized." The Justice Department authorization is a good case in point. If they put that bill up they would immediately have a gun amendment and that would be the end of that bill. Or perhaps a school prayer amendment or abortion amendment. I have been arguing those issues for 27 years and voting on them for 27 years.

So they can write these harmless little civics booklets; they are fine for school children and the unknowing.

But the distinguished Senator from Arizona is knowing. He has been here. He has served here long before he even became a Member of the U.S. Senate. So he knows the wily ways of Senators better than most. We put these items into this bill in conference. The conference is a give and take proposition between the House and the Senate. That is how we get the big jobs done, including this appropriations crime bill that we are now considering. And we are very proud of it.

So Madam President, let me reserve the remainder of my time. I suggest the absence of a quorum. We can take the time of the call from my time.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HOLLINGS. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. Madam President, I ask unanimous consent that the time for the vote, set by an earlier unanimous-consent agreement, be changed from 10:30 to 10:45, with the additional time equally divided between both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Madam President, I yield 5 minutes to the Senator from South Dakota.

The PRESIDING OFFICER. The Senator is recognized.

HEALTH CARE REFORM

Mr. PRESSLER. Madam President, health care reform is important to us all. Many on this side of the aisle want health care reform. In fact, all of us on this side of the aisle want health care reform. However, we feel strongly that the bills being proposed by the majority party are too bureaucratic, too costly, and include too much Government regulation. In essence, we will have Government medicine. These concerns do not mean that we don't support efforts to reform our health care system. We are for making improvements to our current system.

We have the best health care system in the world. And yes, there is room for improvement. For example, there are many poor who need to have some assistance in buying health insurance. There are many in the middle class who are strapped with high premiums. We do need cost containment and malpractice reform. We do need to make insurance portable so that if a person goes from one job to another they are not caught without insurance. We do need to remove the preexisting condition.

Many say that we are delaying action. Some have used the word "filibuster." That is not true. There is no filibuster. When we receive a new bill on a Friday afternoon, we need several days to look at it and to get some budget estimates before moving forward. Indeed, many people on the other side of the aisle will not go forward without those budget estimates and adequate time to study the bill. I applaud many of their speeches on that subject.

So I think there is some misunderstanding in the country. We Republicans want health care reform. We want to tune up the system. I compare it to a farmer who has 10 machines in his garage, and of those 10 machines, 2 need to be overhauled. He should not overhaul all 10. He should overhaul two and tune up the rest.

The subject of malpractice reform is not understood very well across the country. It is my opinion that about 10 percent of the cost of medical care in this country comes from lawsuits and malpractice abuses. Certainly we want a citizen who is wronged to be able to sue. In the bills that have come from this side of the aisle, there has been a cap on lawyers' fees in lawsuits and a cap on certain damages, after the person is made economically whole, on certain types of damages. There are also proposals for prelitigation screening and other types of tort reform.

The White House and the National Democratic Party are very much opposed to tort reform because they are so close to the national trial lawyers. I am just telling it the way it is. Certainly, the trial lawyers perform a very good function in the sense that it is the way in our society that a small person, or a person of modest means, can sue a great corporation or sue a very wealthy person. Some say we have, quite accurately, had our revolutions in the courtroom rather than on the streets because that is the way people who are poor and who have been wronged in our society get relief, by going to a lawyer and getting a contingency fee and bringing a lawsuit against a great corporation.

So we do not want to take away that right. But we do want to have tort reform in the sense that the number of lawsuits in our society has reached a ridiculous rate. It is not helping the poor anymore. It is sort of a lottery system almost, and it means that many of our small-town hospitals have to carry very expensive insurance and our doctors have to carry very expensive insurance.

So we are very much for malpractice reform, and that falls on most of the bills that have come from this side of the aisle.

In conclusion, Madam President, let me say this Senator is ready to legislate and has been. In fact, I gave a speech on the Senate floor a year ago April urging that we bring some things up for votes.

We are ready to go, but let us work together to have something that is budgetarily possible, something that takes care of the problems in our society. About 20 percent of our people have problems with their insurance or getting insurance or with the high costs. Let us tune up the rest to reduce the costs, have cost containment, tort reform, and insurance reforms. We don't need to start creating new Government programs. Those are some things we should be doing and that we want to do in this session. We can do it very quickly. But what we do not want to do is adopt massive Government insurance, massive Government spending, massive new Government offices, 98,000 new Government employees, and so forth.

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 1995—CONFERENCE REPORT

The Senate continued with the consideration of the conference report.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Madam President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator is recognized for 2 minutes.

Mr. DOMENICI. Madam President, I note the occupant of the chair and since she is from California, she has had a genuine interest, obviously, in the problem that Governor Wilson and Governor Chiles have made rather notorious, and that is, how do the States pay for incarceration costs of illegal aliens.

I want to also mention that the amendment that got this issue into conference was offered by the distinguished Senator, of the State of Texas, Senator HUTCHISON. I am very pleased to acknowledge her leadership in this area. The amendment she and Senator DOLE offered got this started, and many Senators supported it, obviously, including the occupant of the chair, the Senator from California.

But I want to say to the Senator from Texas that this Senator appreciates her leadership with regard to this issue and other issues that have to do with illegal aliens, knowing that it is a very, very big problem in the State of Texas, as it is in other border States, and as it is most serious in the State of California.

Having said that, I do not think we have anything further on our side, Madam President. With the permission of the chairman, we yield back the remainder of our time, whatever that time is.

The PRESIDING OFFICER. The Senator has 20 seconds.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. HOLLINGS. Madam President, the Senator from New Mexico is right on target. The Senator from Texas was of tremendous help. The Senator from California [Mrs. FEINSTEIN], who presently occupies the chair, worked around the clock with our subcommittee relative not only to the incarceration of the illegal aliens, but particularly with respect to the Border Patrol problems that we had down in San Diego, with additional agents being assigned, additional computer facilities being purchased.

Control access expedited route was found very worthy up in Washington. We have now put that in San Diego, for those who go to and from work across the border every day. On behalf of the subcommittee, I want to thank Senator FEINSTEIN for her leadership.

With respect to legislative provisions in an appropriations bill, the distin-

guished Senator from Arizona jogged my memory relative to one that was requested and declared by the authorizing committees under the leadership of our chairman of the Appropriations Committee, the distinguished Senator from West Virginia, Senator ROBERT BYRD.

The first provision amends the Foreign Relations Act to require the State Department to start taking fingerprints of immigrant visa applicants to ensure that they do not have State or Federal felony convictions in the United States.

The State Department stopped performing any checks on these people in 1990, but this provision would require a fingerprinting test in the 10 countries with the highest volumes of visa applicants. The agreement allows the State Department to charge applicants for the cost of performing these fingerprint checks and reimbursing the FBI.

This resulted from a series of overall full committee hearings on the matter of immigration problems, with the Commissioner of the Immigration and Naturalization Service testifying, and other witnesses, the Governors from several States.

Another item that Senator BYRD included, which we unanimously approved, under the Immigration and Nationality Act, to allow immigrant visa applicants to adjust their status in the United States with the Immigration Service rather than going overseas and adjusting status at an overseas post. These individuals have to pay a fee to the INS five times higher than the existing fee for changing immigration status, and it requires all applicants to be fingerprinted and have full background checks to ensure that they have not been convicted of a felony in the United States. The provision only relates to cases where an immigrant can already apply for a visa. It does not change the requirements for the application or when the applicant can be provided with the visa. It also provides the Immigration and Naturalization Service with at least \$50 million in additional revenues.

I think those were worthy provisions that were put in sort of an emergency situation in the treatment of our appropriations for the Immigration and Naturalization Service.

Madam President, I retain the remainder of my time. We have an additional 3 minutes before the rollcall.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. I think, Madam President, the time has arrived.

The PRESIDING OFFICER. The Senator is correct. All time has expired. The question before the Senate is on agreeing to the conference report accompanying H.R. 4603. The yeas and nays have been ordered. The clerk will call the roll.

Mr. DOLE. I announced that the Senator from Alaska [Mr. MURKOWSKI] and the Senator from Wyoming [Mr. SIMPSON] are necessarily absent.

I further announce that, if present and voting, the Senator from Wyoming [Mr. SIMPSON] would vote "yea."

The PRESIDING OFFICER (Mrs. BOXER). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 88, nays 10, as follows:

[Rollcall Vote No. 292 Leg.]

YEAS—88

Akaka	Feinstein	Mathews
Bennett	Ford	McConnell
Biden	Glenn	Metzenbaum
Bingaman	Gorton	Mikulski
Bond	Graham	Mitchell
Boren	Gramm	Moseley-Braun
Boxer	Grassley	Moynihan
Bradley	Gregg	Murray
Breaux	Harkin	Nunn
Bryan	Hatch	Packwood
Bumpers	Hatfield	Pell
Burns	Heflin	Pressler
Byrd	Hollings	Pryor
Campbell	Hutchison	Reid
Chafee	Inouye	Riegle
Cochran	Jeffords	Robb
Cohen	Johnston	Rockefeller
Conrad	Kassebaum	Roth
Coverdell	Kempthorne	Sarbanes
Craig	Kennedy	Sasser
D'Amato	Kerrey	Shelby
Danforth	Kerry	Simon
Daschle	Kohl	Specter
DeConcini	Lautenberg	Stevens
Dodd	Leahy	Thurmond
Dole	Levin	Warner
Domenici	Lieberman	Wellstone
Dorgan	Lott	Wofford
Durenberger	Lugar	
Exon	Mack	

NAYS—10

Baucus	Feingold	Smith
Brown	Helms	Wallop
Coats	McCain	
Faircloth	Nickles	

NOT VOTING—2

Murkowski	Simpson
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So the conference report was agreed to.

Mr. HOLLINGS. Mr. President, I move to reconsider the vote.

Mr. DODD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

HEALTH SECURITY ACT

The PRESIDING OFFICER. The Senate will now resume consideration of S. 2351 which the clerk will report.

The bill clerk read as follows:

A bill (S. 2351) to achieve universal health coverage, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Mitchell amendment No. 2560, in the nature of a substitute.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. KENNEDY. May we have order?

The PRESIDING OFFICER. The Senator will be in order.

The Senator from Minnesota has the floor.

Mr. WELLSTONE. Madam President, I thank the Chair.

The PRESIDING OFFICER. The Senator will suspend until the Senate is in order.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota has been recognized.

The Senator may proceed.

Mr. WELLSTONE. Thank you, Madam President.

Madam President, could I get order on the floor?

The PRESIDING OFFICER. The Senator has asked for order. The Senate will be in order.

The Senator from Minnesota.

Mr. WELLSTONE. Madam President, I would like to spend a little bit of time talking about—

Mr. HELMS. Madam President, the Senate is still not in order.

Mr. WELLSTONE. I thank my colleague from North Carolina.

Madam President, I am not going to proceed until I have an opportunity to speak on the floor.

The PRESIDING OFFICER. The Senator is correct. The Senate is not in order. The Senator from Minnesota will not continue until the Senate is in order. The Chair will ask Senators to kindly take their conversations to the Cloakrooms or off the floor.

The Senator from Minnesota.

Mr. WELLSTONE. Thank you, Madam President.

Madam President, everybody, I think, here in the Senate has been anxiously awaiting the unveiling of the mainstream proposal, hoping against hope that it might magically emerge as the proposal that will allow us all to win on health care reform without even having to fight.

Madam President, on the basis of what I have heard, these sets of proposals move us further down the road of a further weakening of health care reform to the point where, Madam President, we will be talking about a health care policy that does not even work.

Madam President, I just wish—and I think I make this appeal more to the media—could I have order on the floor?

The PRESIDING OFFICER. Will the Senate be in order and will Senators kindly take their conversations off the Senate floor? The Senator from Minnesota deserves to be heard. He has asked to be heard and he has asked Senators to please come to order, and the Chair asks that the Senate please be in order.

The Senator from Minnesota.

Mr. WELLSTONE. I thank the Chair.

Madam President, the issue is not left, right, or center. The question is

not ideology, and the question certainly is not give and take and compromise. The question that each and every one of us has to answer as Senators is whether or not a proposal or set of proposals will be better for the people we represent or not. That is really the question we have to answer. It is not a question of whether it is everything we want. It is certainly not a question of anybody in here wanting to make the perfect the enemy of the good.

I think all of us understand that there are 100 of us here and that means there has to be give and take. But, ultimately, we have to decide whether or not a particular set of proposals or a final reform bill is truly a reform bill.

Madam President, yesterday—and I am going by what I have read and I am anxious to see the paper—but today there is a picture in the paper of Robert Reischauer, someone whom I have a tremendous amount of respect for because I think he has done a yeoman's job under fierce pressure and, quite frankly, I appreciate his rigor. He has not always been popular with Senators in either party, but I think he has been rigorous in his analysis.

My understanding is—and I will use the labels that people have applied to themselves—my understanding is that the mainstream group found it very sobering because he talked about the failure of cost containment.

Madam President, I just do not know where some of my colleagues have been for the past several years. At the beginning, we talked about making sure that each and every person was covered. We talked about making sure that we would have affordable, dignified, humane health care delivered out in the communities where people lived. That made a lot of sense.

We talked about making sure that people would have choice—people did not want to be herded to just one plan or two plans—of their doctor and their nurse. And we talked about making sure it was affordable both for individuals and affordable for the Nation.

But, Madam President, some of the people who are now saying that we have to further weaken this effort, they have said no to a cap on insurance premiums.

Now, if you want to look to the CBO and what the CBO has said about how you can contain costs, I would say to my colleagues, they will tell you—and they have so stated, that you have to have a cap on insurance premiums. But, Madam President, that was taken off the table. And by the way, Madam President, the insurance industry is not without a considerable amount of power here.

Then we were told that we cannot have employers paying their fair share. Remember, our employer pays 72 percent of the share of our premium. And we were finally told that we needed to

take out some of the managed part of the managed competition which people like Alan Enthoven and others who first thought up the idea told us you ought to have at the State level to make it work.

So, Madam President, what I now see happening here is you have Senators who have reached an accommodation with some power interests, starting with the insurance industry. They have taken off the table the very proposals which, by the way, were in the Clinton bill that would have led to cost containment, made sure we could stay within a budget, starting with capping the premiums of insurance companies.

Why was that ruled off the table? Which folks had the say on that?

So we take the very proposals that the CBO tells us we should take a look at in order to contain costs and stay within a budget and we rule them off the table, and then we turn around, after having rejected the very things we should do, accommodating ourselves to these power interests, starting with the insurance industry, and then use that as an excuse for not covering people.

That is what has happened. That is my objection to the direction of where this is going.

Senators have said, "No, we can't cap insurance premiums." Senators have said, "No, employers can't pay their fair share." That is how you raise the money. That is how you control the costs. And then the same Senators have turned around and said, "Well, you see, the real issue is deficit reduction and since we can't contain the costs and we do not really know how to finance it, we are going to have to move in the direction of making sure that people are not covered with decent coverage."

Mr. WARNER. Will the Senator entertain a question at an appropriate time?

Mr. WELLSTONE. I am pleased to yield.

Mr. WARNER. It would take maybe a minute to lay a foundation for a question, because I listened carefully to what you said today, and indeed I have followed what you have said previously.

Madam President, I freely admit the following: My father was a doctor, a very prominent, a very successful physician in northern Virginia and the Nation's Capital. I admit, Madam President, if I had enough brains, I would have been a doctor, but here I am today.

Mr. WELLSTONE. Will the Senator yield for a moment?

Mr. WARNER. Yes.

Mr. WELLSTONE. I disagree with the Senator from Virginia. I think he has more than enough brains.

Mr. WARNER. My colleague is nice to say that, but I learned at my father's knee several things about medi-

cine. I would like to pose them to my good friend in the form of a question.

What we have done is transform this magnificent Chamber into an operating room. We are like so many physicians, bending over this patient ready to take scalpel and make a major incision into a system which has served this country for some 200 years, which has served 80-plus percent of our people quite adequately.

Does the system have problems? Yes, it does have some problems. And we have been dealing with them, ostensibly, here, for a few days. But I think we have done little more than a pedicure, clipped a nail here, and polished a little bit there. We have not gotten into the heart of the problem in terms of how it is to be paid for, the balance between further Government intervention and the private sector. Those are major issues. Our President and the First Lady, to their credit, performed their own diagnosis of the patient but we rejected it.

Subsequently, our distinguished colleague, the Senator from Massachusetts, [Mr. KENNEDY], and others in his committee made a diagnosis, reported out a bill but we rejected it in large part. The Finance Committee likewise reported out a bill but we rejected that diagnosis.

Now we have the diagnosis of Representative GEPHARDT, and that is rejected by the House.

Time and time again we have rejected diagnosis after diagnosis. This thing is becoming almost like a "Mash" comedy and that is not what the American public wants. They want answers. I say to my good friend, when the practicing doctors and the patients reach this type of situation we find ourselves in today, they go and get a second opinion. That is bedrock practice in medicine today, a second opinion. I ask my good friend, is it not time to get a second opinion? And that opinion, in my judgment, can only be rendered by the people of the United States of America.

We are now informed that later this afternoon the mainstream group are about to report to this Chamber another concept and idea, followed by, perhaps next week, the Senator from Georgia, Senator NUNN, and Senator DOMENICI, the Nunn-Domenici plan.

I say we should listen to each of these plans very carefully, debate them here on the floor, report them to the public, but then let us go back to the public and get a second opinion. What is the harm? And I will finish in a moment.

Mr. WELLSTONE. I ask for the regular order, in all due respect to my colleague.

Mr. WARNER. I just want to pose to my colleague, what is wrong with going back to the public, after we have debated every one of these plans thoroughly, and getting a second opinion?

That should be brought about through concentrated work at home with our constituents through the election process in November, and come back next year, as some of your colleagues have said, and address this in a very serious manner.

The PRESIDING OFFICER. The Senator from Minnesota does have the floor and is entitled to answer the question at some point.

Mr. WARNER. That is correct, Madam President. I guess that is the message I am trying to send to my friend, that it is time we get a second opinion and come back next year and commit—although we cannot bind the next Congress—the two-thirds of us who will be here.

The PRESIDING OFFICER. Does the Senator from Minnesota understand the question?

Mr. WARNER. He understands the question, Madam President.

The PRESIDING OFFICER. It is the Senator's right to answer that question.

Mr. WARNER. Madam President, he understands the question.

Mr. WELLSTONE. Madam President, I certainly do understand the question. I have been a teacher for many years. I am very familiar with long questions. And my colleague from Virginia is his usual articulate self.

Let me just simply respond very briefly and then go on with the second opinion that I am now going to present on the mainstream proposal because I think we should have a debate about ideas and policy proposals.

I would simply say to my colleague from Virginia that I smile a little bit to myself about "second opinion" because health care, universal health care coverage is an idea whose time has come over and over and over again in our country, going all the way back to before World War I. Since we have been debating this question as a Nation for well over half a century, and since we are really almost alone among the ranks of the advanced economies in the world in our failure to figure out how to finance and deliver health care for all of our citizens—high quality care, which I know the Senator's father would have insisted on—it seems to me we have had plenty of time for debate and discussion and second opinions. We have had many committee hearings here.

There comes a time in public life where you step up to the plate. I agree with my colleague I would like to get to the core of this and go after tough issues. And you would vote. That is what we are here for, is to vote.

Mr. REID. Will the Senator from Minnesota yield for a question?

Mr. WELLSTONE. I am pleased to yield to my colleague from Nevada. I just want to also remind my colleague, since I know we want to get to amendments, I want to make sure I do have

time to present an analysis of the mainstream proposals because I want that to be a matter of record. But I would certainly be pleased to yield.

Mr. REID. The Senator has the floor and the Senator can speak as long as the Senator wishes under the present frame of debate.

I ask the Senator from Minnesota, is it not true that during this Congress there have been over 80 hearings held on various health care bills by the Finance Committee and the Education and Labor Committee? Is that true, over 80 committee hearings?

Mr. WELLSTONE. That is correct.

Mr. REID. Is it not true, I say to my friend from Minnesota, is it not true that during this period of time there have been hundreds of witnesses who testified before those two committees?

Mr. WELLSTONE. That is correct.

Mr. REID. Is it not true that one of the basic elements that we are trying to establish, as indicated by the Senator from Minnesota, is the fact that we have been through over 50 years of debate off and on, on this? And during the past several years debate all year long? We have been through six or seven Presidents who have talked about universal health care coverage, is that not true?

Mr. WELLSTONE. That is correct.

Mr. REID. Mr. President, I reach in my wallet here and I can flip through this wallet and I have a card here that says, "Government-Wide Service Benefit Plan, Blue Cross/Blue Shield. Federal Employee Program."

Is it not true, I say to my friend from Minnesota, that we have had debate on this floor for over 2 weeks, trying to indicate to the American public and to the Members of the U. S. Senate that we are not trying to do anything very difficult or elaborate. We are trying to give the American public the same coverage that we have. Is that not true?

Mr. WELLSTONE. That is correct.

Mr. REID. Is it not true, I say to my friend from Minnesota—although he may have some different plan—I have a plan that is Blue Cross/Blue Shield. But, because we have a retail pharmacy program under the plan that I have, I can go to any pharmacy that is a member—it is most all of them around this area and in Nevada, also—and I can get my prescriptions for I think \$5. I think no matter what the prescription is, \$5.

Is the Senator from Minnesota aware that I have a plan like this and that I am trying to get it so the American public has the same opportunities I have?

Mr. WELLSTONE. I would say to my colleague—I thank him for the question and I would be more than willing to take some other questions as well, because I think the Senator from Virginia has raised an important question, before I go on with the other analysis. And let me just respond in two ways.

No. 1, yes, to talk about, "We really need to slow this up, we need another second opinion," ignores almost 75 years of debate and discussion about this. And No. 2, of course, your perspective about whether or not we need to stop or we need to block or we need to filibuster or whatever it is that we do, depends upon the situation of yourself and your family. If, in fact, you have reached a point where you do not have insurance or you are underinsured or you are terrified of losing your coverage because you might lose your job, or because of a sickness, then from your point of view it is really important that this does not get put off once again.

And finally, on the Senator's point about the coverage we have, I am quite well aware of that. I believe yesterday the Senator from Pennsylvania and the Senator from South Dakota and others, the Senator from Massachusetts, spoke eloquently to this. I will have an amendment. I am going to be on the floor all day to day until I can get my turn to introduce an amendment. I want Senators on record that this health care reform bill that we pass should provide people with a health care plan, high-quality care comparable to what we have. We will have a vote on that.

Mr. REID. Could I ask one more question before I no longer intrude on the time of the Senator from Minnesota?

Mr. WELLSTONE. I would say to my colleague that he is not intruding on my time.

Mr. REID. Is the Senator aware—and I was not until recently, frankly—that the card we carry around, I carry around, has helpful telephone numbers? It is so easy for me if I have a question about my health care. I can call here, "For customer service: 1-202-484-1650." I even have a toll free number right here.

Let me pull this out of my wallet—1-800-848-9766. If I have any question about pharmaceuticals, about medical care for my children or for me, I have it right here in my pocket. How many people out in this public, the American public, do you think has the same benefit I have?

Mr. WELLSTONE. I say to the Senator from Nevada that he just emphasizes the most important point that can be emphasized in this debate, which is people are saying to us over and over and over again, "You are our elected representatives and we believe that what you have decided is a really good health care plan for yourselves and your loved ones, that that ought to be the standard that you set in pushing forward a reform bill. Make that available to us. We are your constituents."

Mr. DASCHLE. Will the Senator yield on that point?

Mr. WELLSTONE. Yes, I yield.

Mr. DASCHLE. I think the Senator from Minnesota and the Senator from

Nevada make a very important point. The Senator from Nevada talked about the back of his card. Here is my card, and the back of my card is the same as the Senator from Nevada. I have Blue Cross/Blue Shield as well. Not only does it give a helpful number, we talked a lot about the standard benefits package. This lists them.

It says:

This card shall cover all hospital, surgical, mental, dental, and prescription drug benefits.

Then it says:

This card constitutes acceptance of the terms and conditions of the service benefit plan brochure.

The requirement that we comply with the standard benefits package. It says it right on the back of my card. So those who say it is so complicated and there are so many different ways in which the American people ought to be given opportunities for choice, this is my ticket to choice, this card.

What is interesting is that every American ought to have the same ticket to choice that Members of Congress have. That is what we are talking about here. Mine is blue and white. Maybe theirs can be gray and gold or something else. It all ought to say the same thing on the back. It says this is your ticket to confidence. This is your ticket to ensure you are not going to be surprised. This is your guarantee that there is no fine print. This is your guarantee when you walk into a hospital, if you need surgical care, mental or prescriptive drug care, you have it. This is your ticket to ensure when we standardize the benefits, whether you live in South Dakota, Massachusetts, or Minnesota, or Nevada, or Iowa, that you are not going to be treated any differently.

That is what we are talking about here. When you buy a car you have that confidence. You know it is going to have all the safety precautions that any country requires. You know that when you buy clothing, especially if it is for a child, that it is not going to be flammable if, God forbid, there is anything that should happen. It is your ticket to confidence. This card does that, and it is all on the back of a little card that is no bigger than maybe 2 by 3.

Mr. WARNER addressed the Chair.

Mr. DASCHLE. If I can ask a question of the Senator from Minnesota whether or not it is his view that all Americans ought to have a card like this?

Mr. WELLSTONE. Madam President, I say to my colleague from South Dakota, absolutely. I am going to offer a sense-of-the-Senate amendment that says as we move forward on this health care bill that we pass a piece of legislation that reads something like "provides every American with health care that is as good as the health care available to Members of Congress."

I absolutely agree, and we will have a vote on this today.

Mr. KENNEDY. Will the Senator yield? I think if we could hold up our cards here, these cards—

Mr. WELLSTONE. I say to my colleague, I feel lonely. I do not have a card down here.

Mr. KENNEDY. The point about it is that every Member of this Senate, to my knowledge, has one of these cards. To my knowledge, no Member of the Senate has checked off—

Mr. HELMS. Regular order.

Mr. KENNEDY. Does the Senator know of any Member—

Mr. HELMS. The Senator did not yield for a speech.

The PRESIDING OFFICER. The Senate will be in order. The Senator from Minnesota has the floor. The Senator from Massachusetts is posing a question.

Mr. WELLSTONE. Madam President, I have the floor and I was patient in listening to the question of the Senator from Virginia. I am now taking a question from the Senator from Massachusetts.

Mr. KENNEDY. Is it the understanding of my good friend, the Senator from Minnesota, that every Member of this body has a card that mentions their health care benefit coverage? Is it your understanding that every Member of the Senate has a card either identical to this or similar to this that provides the kind of range of services and hospitalization and prevention programs and prescription drugs, is that the understanding of Senator?

Mr. WELLSTONE. I say to my colleague, that is my understanding, and it is more than just the card. It is what the card stands for. What this card means, Madam President, is that I will not be denied—if I can finish—I will not be denied coverage for myself and my loved ones because of an illness I have or because of a sickness my child has. There is no preexisting condition, because of this card.

What this means is that I will be able to afford health care, and what this card means is that even though it is not perfect by way of a package of benefits, this is good coverage for myself and my loved ones. We ought to provide the same thing for the people we represent.

Mr. KENNEDY. Just a final question. Is it the Senator's understanding that the President of the United States and the First Lady, under the program which they introduced, and the Mitchell program will provide—their desire is to provide cards similar to the one that I have, and I see my friends from Pennsylvania, from Iowa, from Nevada, and other Senators have, that they have the same kind of card that each one of us has in here and get effectively the same range of benefits? Is that the understanding of the Senator that this program will provide a card like this

that will be available to all Americans as it is available to the Members of Congress? Is that the Senator's understanding about what would be guaranteed under the Mitchell program that is before the Senate?

Mr. WELLSTONE. Madam President, it is certainly my understanding that was in the Clinton plan, and I think the Mitchell plan moves us far in that direction. I have to tell you, by this standard, we have to be very careful that we do not, in the final analysis, end up moving away from this very important principle. So I thank my colleague from Massachusetts for what he said.

Mr. HARKIN. Will the Senator yield for a question?

Mr. WELLSTONE. I will be pleased to.

Mr. WARNER. Will the Senator also acknowledge that under the present bill—

Mr. WELLSTONE. I first yielded—
The PRESIDING OFFICER. The Senator has yielded.

Mr. WELLSTONE. I yielded to my colleague from Iowa.

The PRESIDING OFFICER. The Chair will explain the situation. The Senator from Minnesota has the floor. He has now yielded to the Senator from Iowa for a question. He has promised to then yield to the Senator from Virginia for an additional question to the question he asked in prior conversation. So at this time, we are going to hear from the Senator from Iowa who has a question to pose to the Senator from Minnesota.

Mr. WELLSTONE. I mention to my colleague from Virginia, I will yield for a question from my colleague.

Mr. HARKIN. I thank the Senator for yielding. I think it has been a worthwhile discussion. I feel a little naked because I do not have my card. I gave it to my daughter so she could get her prescription at the drugstore.

That is the question I want to ask the Senator. We are all holding up our cards like it just pertains to us. Does the Senator know that these cards that we are holding up here are not just for us, but they are for our families, too? My daughter has the card. She went to the drugstore so she could get her prescription filled. Is this not what we are trying to get for the American people, not just a card for the individual but so it will cover also their families like our families are covered?

Mr. WELLSTONE. Madam President, I say to my colleague, I am aware of that by way of some painful contrast. Our children, are older now, in their twenties, and away from home. But had they been younger and with us, it would cover them. One of them is a young farmer. I can just tell you right now that David and his wife and our two grandchildren would benefit so much from universal health care coverage, because when you are farming or

self-employed, the rates are so high. They are lucky enough that she works and is able to obtain some coverage through her employer. But since they both need to farm to make it, they cannot do that because they cannot afford the insurance.

Mr. HARKIN. I appreciate the Senator responding. Again, I wanted to ask that question because many times we debate and discuss out here about coverage. I think the Senator was trying to make the point, and I asked that question, that these cards do not just cover us, they also cover our families; is that not true?

Mr. WELLSTONE. That is correct. I might ask my colleague whether he has his card. The Senator from Virginia, do you have your card with you?

Mr. WARNER. I have to check, but I know for one thing, this plan will have every dollar I have left in this wallet. Let me pose a question to my friend.

Mr. WELLSTONE. I will be pleased to answer it.

Mr. WARNER. I have the card. Let me point out to my friends, there are some 16 million Americans self-insured today who will be stripped of that option under this plan and forced to do something else. Some 30 percent of private insurance which are represented also by cards, those cards would be pulled back, I say to my good friend, pulled back from those current holders, unlike ours, and require it to be changed. And that is why I think it is so imperative, Madam President, that we go and get that second opinion.

I urge my colleagues—and it is not just a partisan request. Yesterday and today on that side of the aisle came the same pleas for reason and a second opinion—let us take our time, explore all the plans, then go back to the American people and listen to them and come back obligated as the first order of business next year to handle this very important issue.

I thank my friend for yielding for a question because I think this sort of colloquy is more helpful than a lot of repetitive, canned speeches.

Mr. DORGAN. Will the Senator yield?

Mr. WELLSTONE. I will be pleased to yield. If I could just respond for a moment to my colleague from Virginia, then I will yield to the Senator from North Dakota.

I asked the Senator whether he had his card because it is interesting to look at our share. If you have a standard option, self and family—and I would not ask what plan he has because that is a personal decision that all of us make—the premium that you are paying is \$101.25. That is what a Senator is paying for that plan.

Now, it could be a high option self only. That would be \$160. It could be high option self and family, \$343.

By the way, Madam President, the reason that some people choose that is

if you are in a situation—I think that is my situation, as a matter of fact—where you have a serious medical problem, and you are really afraid that you are going to require a lot of care, that is the one that you end up choosing. But in general the bench mark is \$101 per month. So I think we should be clear about that.

Now, Madam President, in responding to the other part of my colleague's question, and then I will yield for a question from the Senator from North Dakota, we are now spending \$1 trillion, and it is a little frightening to people in this country because they see us going very quickly to 30 percent of gross domestic product by the year 2030. If we do not build some sanity into this by way of some effective cost containment, it will without a doubt bankrupt it. Again, that is a compelling reason, not for inaction but for action. The whole issue of exploding costs much less universal coverage—and they go together—is not a reason for us to put this off, block it, block it, block it, but for action.

I yield to my colleague from North Dakota.

Mr. HELMS. Will the Senator yield, before he does that?

Mr. DORGAN. I appreciate the Senator yielding.

Mr. WELLSTONE. Madam President, I first would yield to the Senator from North Dakota, and then I would be happy to yield for a question.

Mr. HELMS. I wonder if the Senator would favor me by allowing me to register a unanimous consent request. I have been waiting for 3 days.

Mr. WELLSTONE. Madam President, let me ask my colleague how long the unanimous-consent request will take?

Mr. HELMS. Thirty seconds.

Mr. WELLSTONE. Madam President, if I have unanimous consent that as soon as my colleague has put in his unanimous-consent request that I then retain the floor, I would be pleased to yield.

The PRESIDING OFFICER. Is there objection?

Mr. WARNER. Madam President, reserving the right to object.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. I likewise was scheduled to speak this morning, deliver a prepared speech, but I have enjoyed this colloquy, and I think it is far more beneficial. Could we have some indication as to when those of us could follow the distinguished Senator from North Carolina at the convenience of the managers?

Mr. KENNEDY. Madam President, will the Senator yield for a response?

Mr. WELLSTONE. I would be pleased to yield.

The PRESIDING OFFICER. The Senator from Massachusetts, one of the managers of the bill.

Mr. KENNEDY. Earlier, at the time after the completion of the vote on the

conference report, there was a general understanding that there would be recognition both on this side over here and the following side, and I think it was Senator GREGG who indicated that both the Senators from North Carolina and Virginia wanted to speak. And he indicated to me that the Senator from North Carolina wanted to talk for about an hour or so. At least that was my impression. Since the end of the conference report, I ask, how much time has been taken by the Senator from Minnesota? It was the understanding that it was going to rotate back and forth.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. Will the Senate be in order while the Chair answers the question of how much time has been used by the Senator from Minnesota.

The vote on the conference report was at 11:09, and since that time the Senator from Minnesota has had the floor. He has yielded extensively to the Senator from Virginia and other Senators. Where we are now is there a unanimous-consent pending here for the Senator from North Carolina to take less than a minute to make a unanimous-consent request and then the time will go back to the Senator from Minnesota.

Is there objection to that procedure?

Mr. WARNER. Reserving the right to object, is it possible for the Senator from Virginia to be sequenced in perhaps following the Member from the other side? I will be happy to take any position desired so long as I can have some scheduling of my own time, which I understood I would have that opportunity.

Mr. WELLSTONE. Madam President, if I could just first respond—and the manager can certainly respond to the request of the Senator from Virginia—I have the floor now and I intend to take the time that I need to present what I think is an important policy critique of where this mainstream group is going. I choose not to do it in terms of labels. I want this to be thoughtful, and I want it to be point by point, so I will need the chance to do that. But we certainly can go forward with the unanimous-consent request of the Senator from North Carolina, after which, Madam President, I retain the floor, and I would let the manager respond on the rotation, I would say to my colleague from Virginia.

The PRESIDING OFFICER. Is there objection?

Mr. WARNER. Reserving the right to object, have we made a resolution of my question?

The PRESIDING OFFICER. As I understand it, there is no resolution to the Senator's question. The Senator is asking when he can have the floor. As I understand the unanimous-consent request, it does not include that at this

time. The request is that the Senator from Minnesota yield time so that the Senator from North Carolina can pose a unanimous-consent request. Is there still objection to that request?

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. As I understand the situation, it was the intention of the floor leaders to rotate back and forth. The Senator now has had 35 minutes. I know of no time restriction or limitation.

The PRESIDING OFFICER. That is correct.

Mr. KENNEDY. There has been a good faith understanding to rotate back and forth. I think that is the way we ought to proceed. I have no objection to the Senator from North Carolina propounding a unanimous-consent request, but I am not at this time agreeing to that request until I hear from him. I do not know why we just do not move ahead and recognize the Senators from this side and then recognize a Senator from the other side. That is the way we have proceeded.

The PRESIDING OFFICER. Is there objection?

Mr. KENNEDY. I am not going to object.

Mr. HELMS. Madam President, I withdraw my request.

The PRESIDING OFFICER. The Senator withdraws his request.

The Senator from Minnesota.

Mr. WELLSTONE. I thank the Chair. Let me yield to the Senator from North Dakota for a question, and then I will go on with my analysis unless other Senators have questions.

Mr. DORGAN. Madam President, let me ask a question of the Senator from Minnesota preceded by just a brief comment.

In the discussion here about health care cards by Members of Congress, I think it is very important, and I hope the Senator from Minnesota will concur, that we not attempt to inform the American people that we have something extraordinary, something special, something very, very generous that no one else has. In fact, we are part of a system of health care that covers 9 million Federal employees. I do not want someone from the discussion here—and several people in discussion have talked about Members of Congress have this plan. It is a cottage industry to try to destroy institutions these days, and there are plenty of people out there on the radio doing it, saying we do not pay Social Security. We do. We get free haircuts. We do not. We have some special health care system. We do not. There are 9 million people in this health care system.

The point the Senator from Minnesota makes is a useful and important point, and I appreciate his making it. I hope that all of us will make that point, not to reinforce the notion that

we have somehow some special, unique, extragenous health care system. In fact, the health care system that covers the Senator from Minnesota and all other Federal employees is less generous than many health care systems in the country, and we pay about 22 percent of the cost it.

Notwithstanding that, I would ask the Senator from Minnesota if it is not the case that, even though I agree with the points he is making, this health care card is a card that could be held up by some 9 million people in the country today?

Mr. WELLSTONE. Madam President, the Senator from North Dakota is absolutely correct. And I would say to my colleague that we have had this discussion before. The reason that I will introduce this amendment, sense of the Senate amendment and insist on an up or down vote, I would say to my colleague, is not to argue that the Congress or Members of the Senate or the House have a great plan. In fact, in the findings I point out that there needs to be improvement for us and for everyone. There are some real gaps. But to simply make another point, which is when we talk about what kind of final plan we are going to pass, it seems to me it does set the standard. People have the right to say, look, if that is what you all are able to participate in and it does well for you, all of you are covered—

I heard the Senator from Pennsylvania make this point very well yesterday—if there is not any preexisting condition, and your employer contributes a fair share, and it is fairly decent coverage, then that should be the standard you meet in the final bill that you pass. So the only reason I raise it is that I hear all this discussion about, no, we are not going to be able to cover this, and we are not going to be anywhere close to universal coverage, and we are not going to be able to do this, that, and the other, that gets further away from this principle.

I am prepared to go on with my analysis.

Mr. WOFFORD. Will the Senator from Minnesota yield for a question?

Mr. WELLSTONE. I am pleased to yield.

Mr. WOFFORD. Does the Senator from Minnesota think it is possible that the point that he has been making and that I have been making has been missed and that our colleagues are confused when we say "practice what you preach, support the plan you live under," this pretty good Federal Employees Benefit Plan with guaranteed health insurance, with your employer contributing approximately three quarters, "support the plan you live under, or live under the plan you support," when we press the point to practice what you preach, and if you do not believe that is possible and right for the American people, then give it back to

your employer, the taxpayer—does the Senator think they are missing the point? Would the Senator from Minnesota agree that we are not trying to do away with this plan; we are trying to say that this plan is a good plan, and plans like this should be available to the American people, and this plan should be opened up to small business and individuals?

Mr. WELLSTONE. Madam President, I say to the Senator from Pennsylvania that that is an essential point. The idea of, well, take it away from Senators and Representatives is missing the point. It is not to bring everybody down but to make sure that the people we represent have the same opportunities. And in this particular case, we are talking about health care opportunities. You cannot talk about anything more precious to People's lives than health care. This says that it is the sense of the Senate that this act should provide every American health care that is as good as the health care available to Members of the Congress. I will, as we move along in the rotation, bring that to the floor for a debate and a vote.

Mr. GLENN. Will the Senator yield for a question?

Mr. WELLSTONE. Yes, I am happy to.

Mr. GLENN. Would the Senator agree that this issue has been debated for 50 years, and there have been innumerable studies and hearings, and would it be correct to say that to the Senator from Virginia, with his analogy of the second opinion, that there have been so many second opinions already, and we see individuals a lot of times out seeking a second opinion and chasing a futile second opinion around when they should be getting treatment now; would the Senator from Minnesota agree that the reason we pushed for this health reform now is the fact that we do not want second opinions carried to the extent that more and more Americans die needlessly, and we need health reform now?

Mr. WELLSTONE. Well, Madam President, I say to my colleague from Ohio that what he is focused on is—and I believe the Senator from Pennsylvania said this the other day, and those words come to my mind—what doctor Martin Luther King called "the fierce urgency of now." There is a fierce urgency of now for many people, for themselves or their loved ones who go without care. Health care is not delivered in the communities where they live which are underserved, and that includes Ohio, Massachusetts, Pennsylvania, North Dakota, and Washington.

I say to my colleague again that I now have my card. We, I think, all consider this to be really important, because we hope that we can do our work well as Senators because we do not have to live every day with the fear

that we are not going to be able to provide coverage for our loved ones. But many people in this country do live with that fear. If we have the card and all of us are covered and our employer contributes fair share, and it is decent coverage, and we do not have to worry about anybody in our family having to pay a higher rate because of an illness or condition, then I say to the Senator from Ohio we do not need any second opinions on that proposition. If it is good for us, it is good for the people in the country. If we have this card, then every man, woman, and child, be it urban, rural, suburban, or be it age, income, race, should be entitled to have this card for humane, dignified, affordable health care.

Mr. KENNEDY. Will the Senator yield for a brief question?

Mr. WELLSTONE. Yes.

Mr. KENNEDY. I understand, then, as the Senator said so well, that the fact that there are 100 Members in this body, and we represent all the States. This is good for every community, and I imagine it is good for every community in my State of Massachusetts, as it is in the State of Minnesota, or the State of Pennsylvania, or the others. It is in that sense that we all here—and the Members have this one card and we can go to any State, any community, and this card is respected. But I just have a final question. Does the Senator know of any Member in this body—or if there is any Member, I hope they would express their position—any Member in this body that has checked off that little blue sheet that says they do not want to choose the program that we share with 10 million of our fellow citizens? Does the Senator know of any single Member in this body, many of whom have spoken strongly in opposition to the Mitchell proposal which, in effect, would guarantee this kind of a card for all Americans—does the Senator know of any single Member in this body of 100 who has said, no, they do not want this particular card that will provide protection for themselves and their families?

Mr. WELLSTONE. Madam President, what I would like to do, again, reserving my right to the floor, is have the Senator from Arkansas respond to that question; and, after that, I will have the floor and I will go forward with what I think is an important, thoughtful critique of where the mainstream group is headed. Let me ask the Senator from Arkansas to respond to the question.

The PRESIDING OFFICER. Is there objection?

The Senator from Arkansas is recognized.

Mr. PRYOR. Madam President, I thank the distinguished Senator from Minnesota for allowing me to address the question proposed by the Senator from Massachusetts.

The Senator from Massachusetts has, I think, hit on a very important issue

here, because we have seen, over the past 2 weeks, probably 20 or 30 speeches from let us say perhaps the other side of the aisle talking about Government-run insurance programs, or Government-sanctioned insurance programs, or Government intrusion in our insurance policies, and what have you. But Madam President, to the best of my knowledge—and I assume this is in the personnel files of each Member of the Senate—every Member of this body has chosen to retain their Blue Cross/Blue Shield coverage that 9 million other Federal employees have. But if they desire not to have a Government-run program or a Government-sanctioned program, or if they desire to get Government out of their decisionmaking process with their particular insurance policy, all a United States Senator has to do is call (202) 224-1093 and ask the disbursing office of the Senate to send this form, health benefits registration form, and to sign their name on part (e), which is the cancellation.

I do not know, Madam President, of one of our colleagues who has done this. We have a very, I think, good program. It is a generous program. It is a program, as other speakers have pointed out, where 9 million Federal employees have this same program.

Madam President, I really think what this debate is about, and I am glad the Senator from Minnesota has started this debate, it is about comparing what on our side of the aisle Senator MITCHELL has proposed as compared with what is pending basically as an alternative, and that is something we know as the Dole proposal.

(Mr. FEINGOLD assumed the chair.)

Mr. PRYOR. Mr. President, if the Mitchell bill would prevail, all Americans would have the opportunity, all Americans would have the right, the same right that we have if they work in a firm and if that firm has 500 employees or less, to achieve or to acquire this little card that has been held up today. Senator DOLE's proposal is a proposal, and I am strictly trying to compare the Mitchell proposal to the Dole proposal, that says that if the employer chooses, chooses this particular Blue Cross plan with those individual benefits that we receive and that we enjoy, if that employer choosing that plan and only if the firm is 50 employees or lower, and if the employee chooses, if it is 50 employees or lower, then there will be a 15 percent fee attached to that premium as a broker's fee or as a fee for the company selling the policy.

What we have done is we have legislated a right for Federal employees. We have legislated, frankly, an entitlement. We now have an entitlement commission. We have Senators talking about entitlement programs, about too much Government intrusion. But what we have done with our proposal with our insurance plan we have legislated

an entitlement, an entitlement for us to participate in this particular program, and we have a freedom of choice. It is voluntary. We can cancel it. I do not know of any Senators who have. I would like to ask if there are any Senators who have, maybe they could let us know, and it is a Government sanctioned relationship.

Mr. WOFFORD. Mr. President, will the Senator from Arkansas yield for a question?

Mr. PRYOR. I am glad to yield. I think I have the floor at the moment temporarily.

The PRESIDING OFFICER. The Senator from Minnesota has the floor.

Mr. PRYOR. I would be glad to yield to the Senator.

Mr. DOLE. Mr. President, the Senator from Arkansas does not have the floor.

The PRESIDING OFFICER. The Senator from Minnesota has the floor.

Mr. WELLSTONE. Mr. President, I am pleased to yield for a question to the Senator from Pennsylvania.

Mr. WOFFORD. Would the Senator from Arkansas and the Senator from Minnesota not want to add that it is not just the Federal employees benefit plan that offers Blue Cross-Blue Shield, but it offers 20 or 30 different plans. My wife and I chose Aetna.

Does that not make the Senator's point even more clearly? It is not Government running how your medical care will be reached but offering a menu of choices that each year Members can select from.

Mr. PRYOR. There are two points. I would like to answer my friend from Pennsylvania.

The Federal Employees Health Benefits Program, FEHBP, is the largest employer-sponsored health insurance program in the country. It serves 9 million people. There are 14 different fee-for-service plans. There is a menu. There are 313 health maintenance organizations that participate in this particular program that we have as Federal employees in the Senate.

I might say it is driven by competition. It is driven by employee plan choice. It is based on benefits and premiums. And we just think that all Americans out there should be given the same opportunity ultimately to participate in the same thing.

Mr. WELLSTONE. Mr. President, if the Senator will yield for just a moment, I thank the Senator from Arkansas for responding to the question from the Senator from Massachusetts. I would be pleased to yield for a question from the Senator from Pennsylvania.

I do want to make one point to my colleague from Arkansas, which is that in talking about the coverage that we have, I think if you look at the basic package that most of us have, and I have said I have had to opt out for a higher one because of back problems, on the average I think Senators pay

about 3 percent, 3 percent of our income for our premium. That is about what we pay. Again, this is not a question of zeroing in on Senators and Representatives, and saying this is awful.

But I mean when regular people around the country look at what we are doing right now, they raise the question over and over and over again which the Senator has raised. You have the card. You have the coverage. You can afford it. Your employer contributes a fair share. You do not have to worry about not getting coverage because of a sickness or illness. If it is good for you, why is it not good for us?

I say to my colleagues we have to live up to that standard. That is why I am very anxious to have a vote on this amendment later on today.

Mr. WOFFORD. Mr. President, would the Senator from Minnesota not think that if his proposal, his proposition that the American people should be assured the kind of choices that we have, fails, if the proposition of the Senator from Virginia that we should study this further and defer it until next year for further study prevails, at that point should we not consider putting these cards away and study them on the same terms, on the same level playing field as the American people, holding these cards in abeyance, disqualifying us from using these cards while we conduct that study so that we conduct that study with the same fear and insecurity that the American people have?

Mr. WARNER. Mr. President, I will give the Senator that deal, if he will yield for a question.

The PRESIDING OFFICER. The Senator will withhold. The Senate will come to order.

The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I respond first, and then I will be pleased if my colleague from Virginia wants to put a question to me that is sort of in a sense a question to the Senator from Pennsylvania, we can accommodate that.

I would say to the Senator from Pennsylvania that my answer to his question is with a great sense of sadness I would say yes. That is to say when I was campaigning for this position to be U.S. Senator from Minnesota I never thought that I was campaigning for the U.S. Senate to be ending up with decent coverage. I am not saying Senators and Representatives ought not to have the card and coverage. That is not what I hope for. If that is where we go, then I would say to my colleague then I guess we will have to have a second opinion on that as well. That is not my preference.

One more time, it seems to me that we have a commitment that we can live up to here, and that commitment is on the basis of our own knowledge about the Federal employees benefit package and how it works for ourselves and our loved ones we can at least in

the final bill that passes make sure that bill lives up to the standards.

By the way, I say to colleagues, and I will take the question, the reason I want to carefully analyze the direction in which I think the mainstream is going I think it takes us even farther away from that. We must not separate the legislation and proposals we introduce from the words we speak.

I ask my colleague, does he have a question?

Mr. WARNER. Mr. President, I have a question on the subject of the card.

Mr. WELLSTONE. I yield to the Senator from Virginia for a question.

Mr. WARNER. Mr. President, I certainly wish to commend the Senator who raised the point that 9 million Americans have the same card. That is not issued by the United States. It is a private contractor with whom this organization contracts.

But, Mr. President, I repeat succinctly to my colleague, and I thank him as do others for engaging in a colloquy—sometimes I think the colloquies can be far more informative than just the reading of a speech. But we have had now diagnoses after diagnoses of this problem by first the President and Mrs. Clinton, then two committees of this Chamber under the distinguished chairmanship of the Senator from Massachusetts and the Senator from New York in the Finance Committee, we have had in the House the Gephardt plan, we have had the distinguished Republican leader's plan which is yet, in my judgment, to see the full light of day in this Chamber. And now we have the one of the majorities leader, the Mitchell plan.

At what point do we say to ourselves that we have all tried in good faith to diagnosis it; we have discussed it, but let us go back and get that opinion from that body from which we derive our strength and wisdom, the American people, and let them, I say to my good friend from Ohio, Senator GLENN, let them provide us that second opinion.

Our duty is to explain all of the options which we are in the course of doing now and next week, presumably, two more plans will be introduced.

Time has become our enemy. We simply cannot deal with this thing within the limited time constraints remaining between now and that time when our colleagues must depart for purposes of the election.

So I say to my colleague, why not a second opinion, and go back and gain it from the American people?

Mr. WELLSTONE. Mr. President, let me respond to my colleague from Virginia, and unless there are other questions, which I would be pleased to take, I will move on with the analysis of where the mainstream group is going.

I say to my colleague, and we brought this out before, that prior to World War I, there was an effort to

move forward with universal health care coverage. It was blocked. We had a second opinion. Franklin Delano Roosevelt wanted to have universal coverage as a part of the Social Security act. It was blocked. We had a second opinion. Congressman DINGELL's father and Senator Wagner made a heroic effort in the late 1940's to pass universal coverage. Blocked. We had a second opinion. Harry Truman ran on a platform much like President Clinton's. He made it a central issue in his campaign that we should have universal coverage. He could not get it through. People called it socialized medicine, too much bureaucracy. Same argument. New faces, but the same interests and same arguments. Blocked. We had a second opinion.

Finally, in 1965, we passed Medicaid and Medicare which were inadequate installments on universal coverage and, if you go back through the debate, people were saying, "Look, we know there are going to be some problems with these programs. We will fix them next year."

Now, here we are 35 years later. Blocked. Second opinion.

So I say to my colleague, in answer to his question, that we have had plenty of second opinions for about 75 years in our country, and the people still are waiting for us to act on a very central issue in their lives.

Now, Mr. President, the reason—and this is an honest difference of opinion I have with my colleague—one of the serious reservations I have about the second opinion argument is I just find it kind of interesting who has been marching on Washington every day and who has been able to do the blocking and who wants the second opinion. It is not a one-to-one correlation.

I have made it clear that this is not aimed at individual colleagues, but you look in the last 6 years, the Common Cause study shows some \$73 million in business PAC money, \$16 million labor. That is a 4 to 1 margin. You look at the last 18 months, Citizen Action reports some \$26 million contributed over 18 months; \$4 million alone in large individual contributions, in addition to PAC contributions, to the Congress. You look at the 1990-92 cycle, and there are tremendous contributions from the health industry.

Permit me to be a little skeptical about second opinions. New faces, same powerful financial interests, same clout, same blocking, same attacks are going on right now as 30 and 45 years ago. So I think it is time for us to step up to the plate and pass a health reform bill that will do well for people.

Mr. President, it is in this spirit and within this framework, that the legislation we pass ought to be as good a health care plan as we have, that I would like to take a preliminary look at the mainstream group's proposal.

And, by the way, I use the names people have come up with in describing

themselves out of respect. I really wish the media would not cover any of this in terms of mainstream, this stream, left, right, and center. The goal is, is it going to be a reform bill that will do well for people? Will it work as a policy?

Mr. President, I have to tell you that I think there are some serious, serious flaws with the direction that this group is going in.

Let me start again with the analysis I was making before questions.

Mr. KENNEDY. Will the Senator yield for just a question?

I was trying to get some idea, just for the other Members, about what the timeframe will be.

Mr. WELLSTONE. I say to my colleague, it will probably take me no more than 15 minutes.

I have been pleased to take questions from other colleagues this morning. I did not have any intention of several hours on the floor, I think I can do this in 15 minutes.

Mr. KENNEDY. I thank the Senator.

Mr. WELLSTONE. Mr. President, point one: We read in the paper today that the mainstream group found Robert Reischauer's rigorous analysis to be sobering. But, Mr. President, I do not think his analysis should come as any surprise.

So they are now talking about further weakening this health care reform bill, further stripping down benefits, doing less, no prescription drugs, cutting back on home-based and long-term health care, you name it.

But, Mr. President, I would remind some of my colleagues in this group, you were—at least many, many of you were—the very people who, number one, were not interested in single payer. But the Congressional Budget Office has said single payer would save up to \$100 billion a year. CBO said if we implemented a single payer system, that between 1997 and 2003, it had the potential of saving \$700 billion compared to status quo projections. That was ruled off the table.

Then the next proposal, Mr. President, was a cap on insurance premiums. That was in the Clinton plan. And if you go back through what the CBO has been telling us, they have been saying that if we would cap insurance premiums, that is the way we could contain costs. That was ruled off the table by many Senators in the mainstream group.

Then finally, Mr. President, the idea of employers paying their fair share, which is one of the ways you finance this, where you get the resources, was also ruled off the table.

So, Mr. President, let me first of all say to my colleagues in the mainstream group, one of the places where I find a serious contradiction in what you are suggesting is that you have ruled out the very steps that we should be taking, according to the CBO, to

contain costs, operate within a budget, do a good job on deficit reduction, and provide people with coverage.

I will just go with the cap on insurance premiums. You have ruled that out. And then on the basis of ruling that out, you now want to move in the direction of not covering many, many citizens in this country, and I want to go forward with that.

Mr. President, as I understand it, one of the proposals deals with the whole idea of what we are going to do with small businesses and what we are going to do with individuals.

Now, the purchasing pool in the Mitchell plan is for businesses with 500 or fewer employees. My understanding is that the mainstream group now wants to say that in the purchasing pool, you would have only small businesses with under 100 employees, plus individuals, participating in the purchasing pool. Now, if I am wrong, I am wrong.

But, Mr. President, I have to tell you that if it is fewer than 100 employees, then you are not going to have much of a base to draw from in the insurance pool. It is going to accentuate the very problem we are dealing with right now, which is that small businesses and self-employed individuals are always the ones that pay at a higher rate.

Mr. President, if I had my way, we would limit the percentage of income that a family would have to pay on health care premiums to make sure it is affordable. And I do not mean just for low-income families, I mean for low- and moderate-income working families, as well.

But if we are going to level the playing field, and now you are going to restrict the purchasing pool, I would just say to you, you do not have much of a pool to draw from. And if you are talking about community rating, the issue is what community are you talking about?

So if you have a small community it can be community rating for small businesses and the self-employed. They will all be charged the same thing but they will be charged higher rates than, for example, Senators and Representatives and others who participate in the very large pool covered by the Federal employees benefit package. I do not see how the very people we are supposed to help are helped with this proposal.

I cannot believe that the mainstream group is talking about passing incremental insurance reform without requiring that everybody purchase coverage. Almost every single expert that I know of, and I look forward to the debate on these proposals, but I want to talk about whether they will work or not, has said that if you think you are going to move toward some kind of community rating or some kind of insurance reform but you are not going to have everybody in the system, then what is going to happen is that the rate

will go up for younger and healthier people. They do not have to purchase coverage. It is not required that it be offered to them. Therefore they do not purchase any coverage and as a result of that the premiums go up even more and then even more people drop out. It is referred to by actuaries as the death spiral. It will not work. You cannot have these incremental insurance reforms outside the framework of universal coverage.

So, my second point, if we are talking about this, is that a set of proposals that purport to be reform proposals which say there is going to be insurance reform moving in the direction of community rating or whatever, outside of universal coverage, is going to lead to the death spiral. It is not going to work and your actuaries will tell you that. Anybody who has studied this will tell you that.

The third point, we already have in this country the trend of employer-based coverage steadily decreasing. Under the current system, right now, it is steadily decreasing. That is one of the reasons there has been a hue and cry for reform. This is not just for people without coverage, it is for people who fear they are going to lose their coverage. The majority leader has said that over and over again.

The mainstream group proposals, as I understand them, could cause this to completely unravel. It is not a step forward. It will be a step backward. Most employers that cover their employees right now do so because providing employer-based coverage means they are providing a valuable benefit to their employees. That makes sense. It is not that having coverage in itself is a benefit for employees, but specifically that having employer-based coverage is a benefit. Group purchase means better rates and the fact that employers can deduct the expense of the health care coverage for their employees makes it worthwhile.

As I understand the mainstream proposal, employees who work for firms that do not provide health insurance would be better off than those who work for employers who do, because they would qualify for Government subsidies. In other words, the long-run incentives of any program that subsidizes individuals but does not require employer contributions discourages employers from covering their employees.

I have to tell you, if this is where this group is heading this is a fundamental flaw. With the Mitchell plan, one of the reasons this was less of a problem—though I worry about this in the Mitchell plan—is that ultimately, if we did not reach 95 percent, there is a trigger that would be pulled and there would be an employer mandate. Thus there is an incentive to continue the coverage. But if what we are going to say is that we are not requiring any

coverage, there is not to be any trigger, there is not going to be any mandate now or in the future, and in addition the subsidies will go to individuals if they are working for companies that do not cover them, what do you think is going to happen?

Let me talk a little bit about this mainstream proposal and take it a little bit further in terms of the limited subsidies we hear are going to be available. If individuals who are currently insured through their employer begin to slide into the subsidy pool that has been designed to cover only the currently uninsured, these funds will be drained without the predicted increase in overall coverage. This plan becomes, in other words, a subsidized employer bailout. We are saying to the employers, you do not have to cover people. In fact, if your employees are not covered they will be eligible for subsidies. But now the mainstream group is saying, "We heard a sobering analysis about deficit reduction and cost containment. We do not think we can do it."

But you cannot because you will not cap insurance premiums, which are bound to go up. So we are going to have a limited amount of subsidies. So now the very low- and moderate-income people who may be covered by the limited amount of subsidies, are going to be facing a competing new group of people who are going to be dropped by employers. That I think is the nightmarish scenario that could take place.

If the mainstream program strains subsidy money and produces an anticipated increase in the deficit, which of course it will because there is no cost control and we are giving employers every reason to stop paying for employees that they currently insure, the subsidies will then be cut.

So I have to make this point. Understand this. Our colleagues should understand this. We are not talking about different labels and ideology. I want to know whether it is a step forward or not. Now what we are saying is employers do not have to worry about covering employees. This whole thing can unravel. That has been the trend, of less and less coverage. There will not be any trigger, there will not be any mandate, there is every incentive to drop employees, there is no cost containment, they do not want to do any of the things that the CBO tells us we really need to do to contain costs. But there would be an automatic way if we exceed budget to control costs. Do you know what that is? Cut the subsidies.

So now what we are doing is privatizing Medicaid, telling people you are off Medicaid. We are promising low-income people they are going to have subsidies, although I think this new proposal will bring even these subsidies way down. And then the first thing we are going to do when we cannot control costs, and we will not be

able to control costs, is cut their subsidies.

I did not come to the U.S. Senate from the State of Minnesota to pass some piece of legislation called a reform that could very well put many working people in worse shape than they are in now, that has caved in to large, powerful interests like the insurance industry, and will not cap premiums, thus we cannot contain costs, and then has as its proposal to contain costs to cut into the subsidies for the weakest, most vulnerable citizens in this country: Women and children in the main; and low-income people.

That is precisely the direction—I have not seen the detail—of this mainstream group.

Mr. President, finally—and this kind of summarizes the whole debate, and this is an issue you will be especially interested in, we have this malpractice reform proposal that the mainstream group is discussing. It is another sell-out to the insurance industry. Sellout No. 1, we dare not cap the premiums. Insurance companies do not want us to do that so we will not do it.

Now we have what is called malpractice reform. There would be, as I understand it, some mandatory administrative process that insurance plans would be in charge of. Anybody with a problem with a rejected claim or with a physician in the plan, would be required to go through this review process first.

If the review process found negligence, then plaintiff could continue to go on and go to court. If it did not, then plaintiff would be out of luck.

On top of that, the proposal would place a limit on noneconomic damages for a plaintiff who gets to court.

Mr. President, a cap on noneconomic damages reduces payment for what could be a lifetime of suffering. I wish I had the piece that Bob Herbert wrote in the New York Times a week ago. I do not, but I will later on include this in the RECORD. It would reduce a lifetime of suffering to \$250,000 for low-income individuals, whereas high-income individuals could still be rewarded millions because there is no cap on economic damages.

By the way, Mr. President, anybody who knows anything about negligence knows that those on the low- and moderate-income end are most likely to be the victims. Predictably, none of the proposals on the table from this group include preventive measures, such as strengthening State medical oversight boards, giving consumers access to data banks on incompetent physicians and prohibiting against secret settlement in malpractice cases. The money interest groups that are fighting on behalf of their incomes and not malpractice reforms oppose these preventive measures.

I think this malpractice reform issue is really a symbol of the entire debate.

Consumers lose when powerful interests win and the proposed reforms do nothing to improve the quality of care, access to care or limit costs.

Mr. President, I find it particularly ironic that in many ways, we began this fight with Senator WOFFORD's campaign slogan: "If everyone in this country has the right to a lawyer, then everyone should have a right to a doctor when they are sick," and instead of giving every American a right to a doctor, we are now talking about taking away their right to a lawyer or at least a day in court. That is what it has come to.

So, Mr. President, let me summarize. We have been waiting as if there is going to be a magical set of proposals so we can do all this without debate, so that we can do all this without stepping up to the plate and casting the difficult votes. And, Mr. President, maybe it will happen. Maybe there is going to be some proposal that is going to have a fine sounding name. Maybe the Senate will pass legislation that will have a great acronym, great sounding name, but it will not live up to any of the speeches that have been given, to any of the promises that have been made, to any of the commitments that we have made to the people we represent.

There is no effort to contain costs in the way the CBO tells us we should. President Clinton was willing to put a cap on insurance premiums. Now limiting purchasing pools, I fear, to businesses under 100 employees where there will be no base and within that community they will still be charged higher rates, not requiring companies to provide coverage, not having any trigger that would take place, employees get subsidies if they work for companies that do not have coverage—this whole system unraveling, accentuating the horrible trend for working people right now of losing their coverage, ratcheting downward the very benefits that working low- and moderate-income people have right now.

Finally, having a cost containment provision that, of course, does not challenge insurance companies but essentially says the very people who would be the first to cut if we do not live within a budget—and we will not because there is no cost containment in the mainstream proposals—will be low- and moderate-income people and people, by the way, that companies have probably dropped.

Mr. President, I one more time will say, I find it sadly ironic when I look at this malpractice reform proposal, that once upon a time, the battle cry is if everyone in the country has a right to a lawyer, then everyone should have a right to a doctor when they are sick. Senator WOFFORD said that and he meant it. Now instead of giving everybody a right to a doctor, we are taking away their right to a lawyer, or at least a day in court.

Mr. ROCKEFELLER. Will the Senator yield?

Mr. WELLSTONE. I will be pleased to yield if I can just finish.

Mr. President, if this is the direction we are going in, I think it is particularly important to have a vote on my sense-of-the-Senate resolution that the legislation that we pass should provide every American health care that is as good as the health care available to Members of Congress, because I have to tell you, this mainstream group's proposals move further and further and further away from that.

I appeal to my colleagues on both sides—I know we have honest disagreements. I believe that and there are many people you agree and disagree with on policy. I also appeal to the media as well. Rather than all this sort of what is the center, are people being unreasonable by being critical, just look at the proposals and see whether or not they are going to work.

Mr. President, that I think is the key issue. I will finally see some paper on this this afternoon. But as I understand the direction of these proposals, I do not believe these proposals represent a step forward. I believe they represent a great leap backward from the proposition that the people we represent should have as good a plan as we have—no universal coverage, no employers paying their fair share, community rating but not in the context of universal coverage which will lead again to a death spiral.

You cannot do it, I say to my colleague from West Virginia. If you do not have community rating and do not have everybody in it, then the premiums will go up for the young and healthy and they will drop out. And then the rates will go up more and they will drop out, and we will be right back to where we are now, with all the cost shifting.

Let us get real about the policy. Let us forget the labels. Let us get to these amendments on the floor that are, of course, points of contention where people disagree and let us vote.

Let me yield to my colleague from West Virginia for a question.

Mr. ROCKEFELLER. I thank my very good friend from Minnesota. My friend was mentioning slogans. I think a pretty good slogan is that we in Congress are going to vote on the American people's health insurance and whether they have universal coverage now, and in November, they are going to vote on whether we have health insurance at all. I kind of like that.

Mr. WELLSTONE. I will say to my colleague, I think that it is a catchy slogan, and I think more important than a slogan, it makes an important point, which is, people will hold us accountable, one way or the other—one way or the other. Absolutely.

Mr. ROCKEFELLER. Is it your understanding that half, that 50 percent

of all workers in America today under the current system do not have a choice of health care plans?

Mr. WELLSTONE. That is correct, I say to my colleague from West Virginia.

Mr. ROCKEFELLER. Is the Senator also aware that in companies that employ fewer than 500 workers, that is, 97 percent of companies in my State of West Virginia, and probably the same percentage for the State of Minnesota, only 16 percent of employees have choice of health plans?

Mr. WELLSTONE. I am well aware of that because you cannot go to a community meeting anywhere in your State where people do not say that.

Mr. ROCKEFELLER. So we who have these enormous opportunities in Congress to enhance the choices people have. People talked about the alliances and they teased about all the paperwork in HIPC's and alliances. Part of the paperwork, if the Senator from Minnesota agrees with me, was that we were going to inform citizens of their choices, just as we are informed in the Federal Employees Health Benefits Program. They give us brochures that contain the following information: what the programs offer, choice of plans, cost of enrollment, who is eligible to enroll, types of plans available, and more.

Then you get to the brochure that describes the plan you are going to pick in detail, and I know the Senator understands this, they also list the plans that are open to all and which are not. Then they go State by State and they tell you the range of plans in which you can enroll in each area if you are a Federal employee. This is, in a sense, the choices we want to open up to the American people, as I understand the Senator would like to do.

Mr. WELLSTONE. That is correct. The Senator is correct and I think when I meet with people in cafes in Minnesota, I hardly hear anybody say single payer—I know other people want to speak, and let me finish up, unless the Senator has a few more questions. People never talk in the language of single payer, all payer, no payer. People want to know whether they will be covered or their loved ones covered, whether they will have a benefits package, they want to know whether they can afford it and whether they can have choice, the same choice we have.

Mr. ROCKEFELLER. And they want to have the information before they have to choose in the current insurance market where you buy a policy and then when you submit a claim you find out you are not covered for pregnancy or for well-baby care. And the Senator also is aware that all of these choices under the Mitchell plan would be among private, not public, health insurance plans. They would be for private, guaranteed private health insurance. Only 16 percent of employees in

firms of less than 500 have a choice now, all would have choices under the Mitchell plan. The Senator would agree with that?

Mr. WELLSTONE. That is correct. I am going to wait until the Senator finishes his question. I would agree with that.

I do want one quick response.

Mr. ROCKEFELLER. The Senator may proceed.

Mr. WELLSTONE. Let me just say—and, again, does the Senator have other questions as well?

Mr. ROCKEFELLER. I do not.

Mr. WELLSTONE. He does not. Let me say the Senator is correct.

And my final concluding point, which goes to the mainstream group's proposal, I want to look at it very carefully, because I do not know what their position is.

That is right, it is the purchase of private insurance.

Now, we live in a grassroots political culture, and one of the conservative critiques of public policy that I have agreed with for many years is to move away from overly centralized and bureaucratized public policy. We have talked about States as laboratories of reform, and as my colleague knows I believe that the evidence is irrefutable and irreducible, if you want to look at CBO and others as well, that those States that choose to go forward with single-payer systems with no carveout for employers or anyone else—I mean, it is up to the people in the State and their representatives to have the option to do it—now there is a movement afoot to essentially say large employers can opt out of that, which then essentially we would really deny States the ability to do it. Insurance companies and some large companies do not like it.

But it strikes me that, while the majority leader's plan, the President's plan, was for private insurance, moving to one insurer, one single source of the payment and then everything else the private sector, we ought to see whether some States—if they want to move forward, we ought to see what happens with that. I would say I am interested in the mainstream group's proposal because if they have the large employer opt-out, they have essentially denied us of that. And for my own part I would fight very hard on that for a long, long time in the Senate because I am now convinced the only way we are truly going to be able to show you can provide everyone coverage and keep administrative cost down is going to be in that direction.

Mr. ROCKEFELLER. Mr. President, I thank the Senator for yielding.

Mr. WELLSTONE. I thank the Senator.

Mr. President, I yield the floor. I do want to say to my colleague from Kansas that I apologize for this. Part of it was the questions and discussion. I

wanted to have the opportunity for this discussion. I thank him for his patience.

Mr. DOLE. Mr. President, I am going to use a little of my leader's time, and I understand the Senator from North Carolina, in the loose agreement, will be recognized to make a statement and then maybe Senator WARNER. If not, then Senator HUTCHISON will offer the amendment on this side. Is that satisfactory?

If the Senator has not seen the amendment, we will try to get the Senator a copy of the amendment.

Mr. President, let me just say to the Senator from Minnesota, I may be voting with him, for different reasons, on the mainstream proposal. We have not seen it yet. We will be given a copy later today. I must say on behalf of all those who have been involved, they are very tenacious; they are very determined. They have certainly worked hard. And we hope to see their final product and have a chance to evaluate it, as the Senator from Minnesota would want to do, also. But you may find a rare combination coming together here if there should be a vote on that particular bill, one that would not happen normally around this place, but I think maybe for different concerns, different reasons.

U.S. IMMIGRATION POLICY

Mr. DOLE. Mr. President, a casual observer could be forgiven for being confused over American immigration policy toward Cuba. Yesterday afternoon, Attorney General Reno said administration policy was responding "in an orderly way and without disruption" to the recent increase in Cuban immigration. The Attorney General went on, "We do not believe that this current influx has been a burden yet on the community." That was yesterday afternoon: no crisis, no panic, no emergency. Yet a few short hours later last night, the administration decided to prevent Cuban refugees from reaching the United States—overturning three decades of American policy. I do not think the number of Cubans changed dramatically yesterday afternoon.

If we are going to have the same refugee policy for Cuba as we do for Haiti, we should have the same foreign policy. That is the point I want to make. United States policy toward Haiti has been based on threats and saber rattling, but there has been silence on Cuba. Fidel Castro has done more to threaten American interests than any Haitian leader ever could. President Clinton should call on Fidel Castro to step down. Immediately, President Clinton should tell U.N. Ambassador Madeline Albright to seek international sanctions and isolate Cuba through the United Nations. And President Clinton should spend as much effort drawing lines in the sand about

democratic change in Cuba as he has spent in threatening Haiti. We do not need to invade Haiti, and we do not need to invade Cuba. But we should care as much about democratic change in Cuba as we do about democratic change in Haiti. And, if the United States is going to interdict refugees leaving Cuba, maybe we should consider interdicting oil and fuel going into Cuba, as we do in Haiti.

Mr. President, we all remember the Mariel disaster under President Jimmy Carter in 1980. We cannot and must not allow Fidel Castro to do the same under President Clinton. President Clinton should make it clear to Fidel Castro that sending the occupants of Cuban prisons, insane asylums and hospitals to Florida will be considered an act of aggression against the United States—and the United States will respond appropriately.

Finally, we should all remember the refugee flow from Cuba is the symptom—not the cause—of an underlying problem. It is Fidel Castro's brutal dictatorship that is the root cause of Cuba's tragedy. The economy is a dismal failure and the political prisons are filled with thousands of inmates. Communism has failed in Cuba just as decisively as it failed in Eastern Europe and the former Soviet Union. It is only a matter of time before Cuba is forever freed from Fidel Castro's tyranny. Castro should not be allowed to use emigration to south Florida as a way to release pressure on his corrupt and illegitimate regime.

I hope when the President speaks to the American people today, he will address the real problems in Cuba—Castro's repressive regime. And I hope the President will announce a long-term plan to address democratic change in Cuba, not just new measures to detain freedom-seeking Cubans.

HEALTH SECURITY ACT

The Senate continued with the consideration of the bill.

Mr. DOLE. Mr. President, finally, I have not had an opportunity to meet with the majority leader on the program for the balance of the day and the program for tomorrow and maybe we can do that sometime soon because a lot of our colleagues are asking questions, I assume on that side, too. We do not have any answers.

Mr. MITCHELL addressed the Chair. The PRESIDING OFFICER. The majority leader.

Mr. MITCHELL. Mr. President, I believe that we have made a proposal to Senator DOLE's staff perhaps in the time that he was speaking, and I am now going to suggest that he and I consult personally. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Does the Senator withhold the quorum call?

Mr. MITCHELL. Mr. President, I withhold the request.

Mr. HELMS addressed the Chair. The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, I am advised that the majority leader wishes to discuss the schedule for the rest of the day and the rest of the weekend and, without losing my right to the floor, I yield to him.

The PRESIDENT pro tempore. Without objection, the Senator will not lose his right to the floor.

The majority leader.

Mr. MITCHELL. Mr. President, I thank the Senator.

UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, I ask unanimous consent that, upon the completion of Senator HELMS' remarks, Senator HUTCHISON be recognized to offer an amendment striking a provision in the substitute amendment; that upon the disposition of her amendment, Senator HARKIN be recognized to offer an amendment regarding disability insurance coverage; that no other amendments be in order to S. 2351 during today's consideration; that when the Senate completes its business today, it stand in recess until 10 a.m. on Monday, August 22; and that at that time the Senate resume consideration of S. 2351 and Senator MOYNIHAN be recognized to offer a Moynihan-Packwood amendment regarding medical school training.

The PRESIDENT pro tempore. The Chair, hearing no objection, the several requests are granted.

Mr. MITCHELL. Mr. President, this agreement is the culmination of discussions with the managers of the bill, the distinguished Republican leader, and several of the interested Senators.

We have agreed upon the following: We will take up the Hutchison amendment, and that will be accepted without a rollcall vote. We will then take up the Harkin amendment, and that will be accepted without a roll call vote.

So there will be no further rollcall votes today. There will be continued debate on the subject for as long as Senators wish to address the subject today. The Senate will not be in session tomorrow.

As all of our colleagues know, Senator CHAFEE and Senator BREAUX, and the other members of the so-called mainstream group, expect to deliver their proposals to me and to Senator DOLE today. I have suggested that it would be a more efficient use of our time if we have over the weekend—tomorrow and Sunday—to review those recommendations in detail. Therefore, it is my conclusion, agreed to by my colleagues, that we would accomplish more by permitting Senators to do that than being in session and simply debating an amendment.

We will return to session on Monday at 10 a.m., at which time Senator MOY-

NIHAN will offer an amendment on behalf of himself and Senator PACKWOOD. That is a major amendment that is going to be debated at some length. Although we do not know when we will reach a vote on that, I have advised my colleagues, and now state, that no vote on that amendment will occur prior to 6 p.m. So Senators will know that—although we cannot be assured that a vote will occur at 6 or when thereafter, because there may be more time than from 10 to 6 required for debate—in any event, under no circumstances will there be a vote prior to 6 p.m. But those Senators who wish to participate in the debate on that amendment regarding medical school training should be present during the day on Monday.

Mr. President, I note the presence on the floor of the distinguished Republican leader. I want to now yield and ask him to first correct any statement I have made that does not accurately reflect our understanding, and for any other further comments he wishes to make.

Mr. DOLE. Mr. President, I think the agreement reflects the understanding. There will be two voice votes, but there will be time for additional debate. We have a number of Senators that want to discuss health care later this afternoon, and they can do that as long as they desire.

Mr. MITCHELL. That is correct; as we do, as well. So there will be, I think, several Senators participating in the debate. We will remain in session today for as long as any Senators wish to address the subject.

Mr. MOYNIHAN addressed the Chair.

The PRESIDENT pro tempore. Under the order, the Senator from North Carolina resumes the floor.

Does the Senator yield to the manager of the bill?

Mr. HELMS. I am delighted to yield.

Mr. MOYNIHAN. Mr. President, on behalf of Senator PACKWOOD and myself, I thank our friends and colleagues, the majority leader and the Republican leader. It seems a good way to proceed. We will have two amendments disposed of today and we will be on another one Monday.

I thank the Chair and I thank my friend from North Carolina.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. I do not know about the people in the galleries, but I am sure the people who have been watching on C-SPAN this morning and early this afternoon, if they are still awake, must have wondered what goes on in the Senate. A couple things came to my mind as I heard some of the "debate." One of them is Shakespeare who in "As You Like It" said, "All the world is a stage and all the men and women merely players."

Well, we have had stage here this morning. I hope that the C-SPAN listeners and anybody else who happened

to hear this debate took notice of the fact that everybody on the other side who participated in the debate and flashed their health cards, Blue Cross-Blue Shield, not one of them has ever seen a big Federal spending bill he did not love. They are the big spenders of the Senate. They do not know and they do not care what this bill will cost the American taxpayers.

They want to be good to their constituencies, so that the people in the next election will vote these big spenders back in office. That is what it is all about. This is a political game.

By the way, the big spenders of the U.S. Senate and the U.S. House of Representatives have set a pretty good benchmark on how reckless they are and have been with the people's money. As of the close of business Wednesday, the Federal debt stood at \$4,668,682,813,919.54. And if this bill becomes law, that debt will increase dramatically.

The more I observe and listen to the health care debate, the more vividly I recall an incident that happened a long time ago at a little country newspaper office where I began work at the age of 9 years. I can still smell the aroma of the printer's ink, and I can smell the smoke that came from the Linotype machine because of the melting metal, and the clanging and clacking of that old duplex press downstairs.

Mr. Rowland Beasley, the editor and copublisher of the Monroe Journal, smoked a pipe incessantly, and he smoked Prince Albert tobacco. I remember it came in a little can. His brother, George, did not smoke, but he enjoyed an occasional pinch of snuff which he kept in a Campbell's soup can by his desk.

There was a fine old colored gentleman who was my immediate boss. His name was Mose. He could always be relied upon to come up with a classic comment when his opinion was asked for, which it often was because we liked to hear what Mose had to say.

Anyhow, Mose had a hearing difficulty which resulted in a certain degree of raised voices, even shouting, when one was attempting to communicate with Mose. One Christmas season, the two Messrs. Beasley decided to help Mose with that hearing problem, and all of us at the paper pitched in a little money to help get Mose one of those then newfangled hearing devices. I remember I furnished a quarter. We wanted to give it to Mose for his Christmas present. Compared with today's model of hearing aids, this was sort of a Rube Goldberg contraption. It was a rather large box with a big dial on it to control the volume, and it hung around your neck. It had only one earplug in those days.

We were all instructed to gather at Mr. Rowland Beasley's office just before the Friday afternoon newspaper went to press. And when Mose came in,

we began singing a Christmas carol. We wished Mose Merry Christmas, and then Rowland Beasley presented Mose with the wrapped Christmas present. And Mose slowly unwrapped it. Mose put it around his neck, and put in the earphone. Then we adjusted the battery, and the instrument was turned on. The noise level knob was turned up, and it was very clear when Mose began to hear those sounds, because his eyes rolled and he slowly shook his head, but he said absolutely nothing, absolutely nothing. We were so disappointed.

Finally, Mr. Beasley said, "Mose, does it help your hearing?" And Mose responded without hesitation. He said, "Yes, sir, it helps my hearing, but it don't help my understanding none."

That is the problem with the U.S. Senate. That is the problem with the health care debate. We hear a lot, but we do not understand very much.

We certainly do not understand anything about what is being done in this country in terms of the debt of over \$4.5 trillion that has been run up by people so willing to give away other people's money. That is what is at issue right now in this Senate.

I thought of Mose a thousand times during the past several weeks as I have sat here, and as I have sat in my office looking at the television set, seeing the incredibly confusing turns the Senate has taken on health care reform.

Make no mistake about it, what is at stake here is whether we are going to vote to socialize America's health care system, which warts and all, is nonetheless the best system mankind has ever known.

I first came to the Senate very late in the year 1951 as an administrative assistant to a North Carolina Senator. I had not really wanted to come to Washington because my daughters were very young. Nancy was still a baby. But Dot and I decided that she and our two little girls should stay in Raleigh and I could commute home every 2 weeks. But that was when Congress usually adjourned for the year in early July. How I wish that were still true.

Congress was not like it is today when one Senator can command the other 99 Senators to cancel their vacations and family plans to stay here to pass a health care bill which the vast majority of the American people say they do not want.

Harry Truman was President when I came to Washington the first time in 1951. Alben Barkley was Vice President. There was, of course, a lot of politics in Washington in those days. But I do not recall the rancor and the mean-spiritedness that exists now. There was no constant interference with family lives of Senators, an exercise that is a needless power play.

I have talked with dozens of people from all over America during the past

few weeks, some by telephone, some whom I've met in my office. Thousands of letters are pouring into our office, and I am sure into the offices of other Senators as well. Most are concerned about the strenuous efforts by the majority leader to push through this Senate, with threat after threat, his health care plan.

There are three of them. First there is Mitchell health care plan No. 1, which has 1,410 pages. There is Mitchell health care plan No. 2, which has 1,448 pages. And finally, there is Mitchell health care plan No. 3; and it has 1,443 pages.

So you can see that the majority leader's health care plan changes spots like a chameleon, about every 2 or 3 days. And proponents of this bill are making claims that cannot be substantiated.

The same is true for the so-called crime bill that was shot down at least temporarily by the House of Representatives last week. I do not know if they can revive it or not, but they are trying to.

I spoke the other day with a longtime friend in another State who is a Federal judge. He asked: "Isn't your majority leader treating you fellows like a surly Federal judge sometimes treats his bailiff, ordering all 99 of you around? I knew him when he was on the Federal bench." And then the judge dropped the subject and moved on to the crime bill. At that time, the crime bill had not been dealt the blow that was to come a few days later, and the judge feared it would pass. He described that bill as a disgrace, and obviously the House of Representatives in the majority agreed.

He spoke of the political shenanigans going on with the health care situation. I wrote down what he said. He said: "You fellows are not going to be able to come up with a responsible piece of legislation in the atmosphere that prevails up there now, nor the political hardball that is being played. You are right."

He was talking about my recent amendments which suggested that we put off health reform until the first of the year and start over and do it right.

The judge said: "You are right. You should put down a peg and come back next year; start right in this January and do it right."

It's just like old Mose said, more than 60 years ago: the hearing aid helped his hearing, but it did not help his understanding.

I think that is the problem of the American people, and it is certainly the problem of the U.S. Senate. As I said earlier, we are hearing a cacophony of sounds of hysteria, but there is scarcely any way to make sense out of the bedlam.

The Congress of the United States should never engage in deliberate deceit or emasculation of the truth to get any piece of legislation passed.

And Congress should never, ever approve any piece of legislation just to get away and go home.

That is exactly how the Federal income tax began, both the constitutional amendment that authorized it and the implementing legislation. Statements made back then on this floor of the Senate were just not so. There was almost a fist fight in this Chamber between two Senators because one of them had suggested that an income tax, if it ever became law in the United States, would take 10 percent of every American taxpayer's income. The author of the bill did not like that. He said, "It is just not so." Well, I wish we could have kept it at 10 percent.

So much of what is being said in favor of the various health care proposals could never withstand the scrutiny of the American people. And that is the best reason I know to submit it to the American people next year.

We do not need to legislate this way. We should never legislate this way.

Several days ago, I suggested to Americans who happened to be watching on C-SPAN that they may want to call their Senators and let their Senators know how they feel about health care reform. Should the majority leader's bill No. 3 be shoved willy-nilly through the Congress this year? What is magic about doing it this year that is not political? Or, would it be better to wait until the first of next year, when Congress and the American people will have had some time to examine all of the alternatives, including the three versions of the more than 1,400-page Clinton-Mitchell bills?

Most Senate offices, certainly mine, received hundreds of calls, the overwhelming majority of which pleaded with us to wait until next year.

Last week, I put the Capitol switchboard number on an easel and that led to the calls that came into the Capitol and to the Senators' offices. People looking at C-SPAN may want to write down this number, and call 1-202-224-3121 and ask for their Senators.

You may want to let both your Senators know if you agree with the Clinton-Mitchell plan or if you believe the Clinton-Mitchell plan will make things worse than they are now. It may influence your Senators' decisions if you call.

Mr. President, the American people do have a monumental decision to make about health care reform. Robert Frost once wrote about the two roads that diverge in the wood. The question is, which of those roads will Congress follow. Will Congress take the one less traveled? And that was the point of Robert Frost's poem. Or will Congress follow the well-traveled route to a destination of blunder? When it comes to turning power over to the Federal bureaucrats, Congress has too often taken the well-traveled path. It is easy

to do. Pass a law. Set up a new bureaucracy. Hire employees. Raise the debt. Spend the money.

The American people are beginning to comprehend where this path leads. It starts out with a noble idea. Along the way, politicians add this agency and that commission, a new tax here and a new tax there, and presto, that old road is clogged with bureaucrats, and new taxes and burdensome regulations that no one remembers what the original road looked like.

Mr. President, the Clinton-Mitchell plan is a perfect example of taking the easy, deceptive, self-defeating big Government road. The Clinton-Mitchell bill includes 17 new taxes, creates 170 new bureaucracies and 6 new entitlements, and if this were not enough, it requires that every health insurance policy cover a Government-mandated set of benefits, one of which is abortion.

Clinton-Mitchell, as the Senator from Oregon referred to it, is truly Lethal Weapon No. 3.

Mr. President, I had hoped, and still do, that we might take "the road less traveled," and steer clear of socialized medicine in America's health care. Let us chart a narrow course to fix whatever is broken in our health care system and go no further than that. Senator DOLE and 39 other Senators have sponsored such a plan, including both of the Senators from North Carolina.

Mr. President, let me address a few points that I have heard this morning and on previous occasions. Several times I have heard it said that none of the Clinton-Mitchell bills is a Government-run health care.

I would just like to mention that the Clinton-Mitchell bill contains the word "shall" 2,618 times. I did not count them, but staff from the distinguished Senator from Indiana has. This means there are 2,618 times where the Government tells doctors, hospitals, businesses, States, and patients what to do. If that is not a Government-run health care system, tell me what is.

I also want to ask the Senators who were engaged in their little one-act play this morning, if they could tell me how much the Federal Government—that means the American taxpayers—already pays every year for our major welfare programs? I am referring to things like Social Security, Medicare, Medicaid, veterans health, unemployment, food stamps, AFDC, and so forth and so on.

In 1993, the total Federal outlay for these programs was \$1.4 trillion. And any one of the Clinton-Mitchell bills would add another \$1 trillion in new Government subsidies over the next 10 years.

By the way, do any of my colleagues know how many million dollars there are in a trillion dollars? There are a million, million dollars in a trillion dollars. So when the American tax-

payers owe \$4.6 trillion, all of that speaks for itself.

Now, as to the debate this morning, I so appreciated Senator WARNER's trying to steer the conversation and the debate down the factual road. He was saying: Get a second opinion. He was saying, inferentially, you folks are not telling it like it is. And they were not.

This morning, my colleagues on the other side made much of their health insurance cards that they have under the Federal Employee Health Benefit Program. They waived them around and said that every American should have a card like that. The truth is that 70 percent or more of the American people already have health care cards at this moment. And many who don't have health cards at this moment will have them tomorrow, because many will change jobs or move away. Clinton-Mitchell 1, 2, and 3 would take everyone's cards away and replace them with a card that entitles them to a one-size-fits-all set of benefits—meaning a Government program.

Senator NICKLES of Oklahoma offered a bill which I cosponsored. It was based on the Federal Employees Health Benefits Program. Under that proposal, Americans who did not have cards—that is, insurance—would be able to get them. And those cards would ensure Americans of a choice of benefits, not a Government-determined set of choices.

Taking the road less traveled, as Robert Frost would put it, means rejecting Federal mandates, increased taxes, caps on private spending, politically determined, and mandatory health benefits. A walk down the road to sensible health care reform would look like this:

It would include insurance reform so people do not lose health insurance because they lose or change their jobs.

It would require insurance companies to renew health insurance policies and limit preexisting condition restrictions.

It would let doctors take care of patients without worrying about frivolous lawsuits being filed against them.

It would allow individuals to establish medical savings accounts as an incentive to wisely spending each health care dollar.

The Clinton-Mitchell proposal is silent in seven languages in all but a few of these sensible reforms and instead hands over to a vast array of new Government bureaucracies the health care of every American.

So far, those of us in my office who have been reading Clinton-Mitchell have been able to uncover about 170 new bureaucracies. Senator SPECTER of Pennsylvania developed a chart that identifies all the bureaucracies. The chart has a myriad of boxes, each of which represents a new bureaucracy that would be created by the Clinton-Mitchell bill. Two that give me the most heartburn are the National

Health Benefits Board and the National Health Care Cost and Coverage Commission. Under Clinton-Mitchell these two boards become the central nervous system of the entire health care network. But I will get to that later.

Our health care system today, with all of its warts, still delivers the best quality health care in the world. Can it be improved? Yes. Should it be improved? Yes.

Rather than targeted solutions to health care reform, Clinton-Mitchell threatens to turn over to the Federal Government's bureaucracies, our entire health care system. I ask you, Mr. President, when was the last time an enterprise prospered after the Federal Government and the Federal bureaucracy grabbed control of it? I cannot think of one.

Michael Ruby, coeditor of the fine magazine *U.S. News & World Report*, described the Federal Government this way, "It's not that the big guy is aloof; it's just that he's overweight, awkward and frequently ill-informed, and in his eagerness to help, to solve something, he sometimes makes it worse."

In the context of health care reform, the Government will undoubtedly make things worse. All we need is for the post office mentality to take over and you can bet the farm that America's health care system will never again be the envy of the world. That will be it. If we cannot trust the Federal Government to deliver the mail, what makes us think we can trust the Federal Government to deliver our health care.

Under the Clinton-Mitchell bill, Government bureaucrats will decide what medical care is medically necessary or appropriate for each American citizen. If you do not believe that, look at page 119. Section 1213 of Clinton-Mitchell says the National Health Benefits Board, an unelected, partisan group of bureaucrats, is authorized to establish:

(A) criteria for determinations of medical necessity or appropriateness; (B) procedures for determinations of medical necessity or appropriateness; and, (C) regulations or guidelines to be used in determining whether an item or service is medically necessary or appropriate.

Do you want the Federal Government, the Government that operates your Postal System, to decide whether you should have an operation or not? With this kind of Government intervention, what is left for the doctor and the patient to decide?

Those not accustomed to reading legislative language may not understand the intent behind these words, but the Clinton-Mitchell bill will have a politically appointed Government bureaucrat decide what care and which procedures are medically necessary and appropriate for each and every American. I do not like that. And if I am a little bit strong in my comments today, it is because I do not like it and I fear it

and I think the vast majority of the American people feel the same way about it.

But the National Health Benefits Board is only one of the monoliths proposed in the Clinton-Mitchell bill. There's the National Health Care Cost and Coverage Commission, a National Quality Council, a Commission on Worker's Compensation Medical Services, a Prescription Drug Payment Review Commission and a National Council on Graduate Medical Education.

These are just a smattering of the 170 new bureaucracies. It kind of makes your head spin, all those boxes and arrows. How can this tangled web of bureaucracy ever work? The answer is that it cannot work. And just imagine how these bureaucracies will damage the quality health care we expect and deserve.

The National Health Benefits Board will not only tell you what is necessary and appropriate medical care, it will also tell you which insurance benefits you can and cannot have.

Under the Clinton-Mitchell bill, all Americans will be required to purchase a one-size-fits-all package of benefits, treatments and procedures, whether they want them or not. Americans will have no choice. You see, one of the central tenets of Clinton-Mitchell is that Americans are not really smart enough to decide what benefits their families need or want.

The Government-established package includes benefits contained in most health insurance policies, but it also includes many benefits which are not. One of those benefits is abortion on demand. Clinton-Mitchell requires that every health insurance policy sold in America must provide coverage for abortion on demand. I say no, no, no to that.

This means that every American will pay for abortion coverage regardless of whether he or she wants it, or needs the coverage, or is opposed to abortion on principle. You pay for abortion and you're covered for abortion services whether you want it or not. This means that men will pay for abortion coverage. It means that women beyond childbearing age will pay for abortion coverage. It means that people who recognize that abortion is the deliberate destruction of innocent human life will nonetheless pay for abortion coverage and you will have no choice about it.

Mr. President, it is no accident that abortion is mandated as a benefit. Pro-abortion groups, such as Planned Parenthood, the National Abortion Rights Action League and the Alan Guttmacher Institute, just to name two or three, have lobbied, picketed, screamed, yelled to get abortion included in the mandatory Government package and, as a political result, it is included. Could it be that these groups want to use health care reform as a

means to expand the availability of abortion in this country? There is no doubt in my mind that these people want abortion in the United States to become as routine as having your tonsils taken out.

Every poll that I have seen on the issue has demonstrated that the American people consistently reject abortion as a mandated benefit. A recent USA Today poll said 59 percent of Americans oppose abortion as a mandated benefit.

In addition to mandating that abortion be included in the standard benefits package, the bill requires that all taxpayers pay for abortions for every woman who receives a health care subsidy from Uncle Sam. In short, this is the backdoor repeal of the Hyde amendment, which prohibits taxpayer funded abortions except in cases of rape, incest or when the life of the mother is in danger.

Mr. KERRY. Mr. President, will the Senator—

Mr. HELMS. I prefer to finish my statement.

Mr. KERRY. I simply want to ask my colleague—

Mr. HELMS. Mr. President, the Clinton-Mitchell bill will overturn and override dozens of State laws that limit abortions. If Clinton-Mitchell goes into effect, State provisions requiring waiting periods, parental consent and restrictions on third trimester abortions will be wiped off the books.

One of the most pernicious provisions in the Clinton-Mitchell bill is what I call the abortion clinic mandate. Clinton-Mitchell requires abortion to be "uniformly available across the Nation and readily accessible within each service region in each State." And this means that in areas where abortion is not readily accessible, we will be forced to construct facilities and train personnel to provide abortion.

A June 16 survey by the Alan Guttmacher Institute reveals that 51 percent of metropolitan counties and 94 percent of nonmetropolitan counties currently do not have abortion providers. Just so that everybody can get a perspective, there are more than 3,000 counties in America, and today about 2,600, or 87 percent, have no abortion providers. The Clinton-Mitchell bill would require that the Federal Government, via the American taxpayers, build these facilities and train personnel to perform abortion in at least 2,600 counties across America.

Others may differ on this. But in the name of God, Mr. President, this is an outrage. We are talking about a Federal mandate to require the establishment of abortion clinics in literally hundreds of communities that do not have them now. Whether they are pro-life or pro-abortion, most Americans do not want to pay for abortion clinics to be built and physicians to be trained in each and every county of America, but that is what Clinton-Mitchell requires.

Now, Mr. President, let us look at the price tag for all of these reforms. The Clinton-Mitchell plan for health care reform is so full of new entitlements and governmental programs that it has had to propose 17 new taxes to pay for them. And most of these taxes fall squarely on the middle class, the working man and woman.

There is a tax on all health insurance policies, a tax on comprehensive insurance plans, a tax on tobacco three times greater than today's 24-cent tax, a tax on handgun ammunition, and a hidden tax on all of America's youth. And if 95 percent of all Americans are not insured by the year 2000, Clinton-Mitchell would impose a tax on all businesses to buy insurance for their employees. There are 11 other new or increased taxes, for a total of 17.

I am particularly outraged about this because North Carolina will be the fourth hardest hit State of the Union by these new or increased taxes.

The number crunchers estimate that by the year 2002, Clinton-Mitchell, if it becomes law, will mean an increase of \$1.7 billion in additional costs to the businesses of North Carolina alone.

Is it a coincidence, Mr. President, that the businesses hardest hit by these taxes just happen to be located in the South and in the West? Businesses in the northeastern States will save money, if Clinton-Mitchell is enacted. A recent study shows that in States such as Maine, Massachusetts, Ohio, Michigan, Illinois, New York, and New Jersey, businesses will actually reduce their medical care expenditures.

One tax particularly bothers me because it unfairly targets a single industry. I am talking, of course, about the proposed triple-fold increase in the tobacco tax.

The dramatic increase in the tobacco tax will hit hardest those least able to afford it. In other words, the poor will suffer most. You can say, "well, they ought not to smoke," and you may be right, but the fact remains—the poor will suffer most under this kind of tax.

The Congressional Budget Office, in a study on the distributional effects of an increase in selected Federal excise taxes, found that an increase in the tax on tobacco would be the most regressive of all the taxes considered.

CBO went on to explain that the average increase in the tobacco tax as a percent of total income would be about three times as large for families with incomes between \$10,000 and \$20,000 when compared to families with incomes of \$50,000 or more.

Moreover, it is unfair for Government to single out those who happen to smoke to pay for a Government take-over of health care. Professor of economics, Robert Tollison, testified before the Senate Finance Committee and he said:

It would be unfair to make smokers and only smokers pay through increased excise

taxes for any health care cost that [the Government] may impose by virtue of their chosen lifestyle, and in any event smokers are more than paying their way at current tax levels.

The Office of Technology Assessment has estimated that smokers cost Federal and State and local governments \$8.9 billion in health care expenditures due to smoking-related illness. But I wonder how many Senators are aware that these same smokers already pay more than \$13 billion in excise and sales taxes. What this says is that the smokers are already paying \$4.4 billion more in taxes than they cost the taxpayers.

Furthermore, I wonder how many people have stopped to think that if the tobacco tax is increased to pay for health reform, thousands of honest, hardworking Americans will lose their jobs. A 1992 Price Waterhouse study estimated that a 45 cent increase in the tobacco tax would eliminate a total of 118,000 jobs—51,000 jobs in the tobacco sector, and 67,000 more in retail and other related industries.

Of course, when these people lose their jobs, they will have no choice in many cases but to go on unemployment and possibly other public assistance programs. And based on the estimates of Professor Tollison, unemployed tobacco workers could cost the taxpayers \$680 million a year.

I've not even mentioned what the increased Federal tax on cigarettes will do to State revenues. The Congressional Research Service found that reduced cigarette sales, due to higher Federal taxes, will reduce State revenues by almost \$7 billion a year. And who will make up for the lost State revenues? You got it. You and I will, in the form of higher State taxes on other goods and services.

One last point on the tobacco tax, and I will move on because I have a few more things to say about the Clinton-Mitchell bill. With so many experts yearning to follow health care reforms adopted in other countries, I wonder if anybody has given any thought to what happened when Canada raised its tobacco tax. For years, the Canadian system simply avoided the increased tax by exporting tax-free cigarettes to the United States and then smuggling them back into Canada. This way they avoided the Canadian tax. The Government of Quebec admits that half of the cigarettes consumed there came into Quebec in this manner.

Tax evasion became par for the course in Canada. Imagine how revenues from the tobacco tax must have plummeted from all of those black market sales. Finally, in February of this year the Canadian Government wised up and it cut its Federal tax on cigarettes by more than a third.

Let's not repeat Canada's mistake. And for that matter, let's not repeat the mistake that Congress made the

last time it turned health care over to the Government.

I wonder how many Senators have considered the distinct possibility that Congress, right now, is on the verge of repeating a very serious mistake. This mistake occurred about 6 years ago.

Maybe Senators recall the Medicare Catastrophic Coverage Act of 1988. I am proud to say that I was one of the 11 Senators who voted against this bill. This little jewel, though much more modest in its scope than the Clinton-Mitchell proposal, proved to be one of the biggest legislative disasters Congress has ever known. It was so bad that there was a stampede in this Chamber to repeal it a year later. I do not think any Senator voted from his seat. He stood down in the well and yelled, "Repeal it, repeal it."

Does anybody remember why we repealed it? Congress realized that Government does not always know best. Congress, at least then, realized that when the details are fully understood, the American people, not politicians, know what is best.

The Medicare Act of 1988 was rife with bureaucracy. No sooner than the ink was dry on this legislation, Senators began to realize the monster the Senate had created. Actually implementing the bill proved to be much more difficult than anybody had originally assumed. And the Catastrophic Coverage Act was an infant compared to the Clinton-Mitchell bill granddaddy.

Under the Catastrophic Coverage Act, the Health Care Financing Administration was responsible for developing: A new implementation plan; a new monitoring and reporting system; a revised computer software program to process all of these new claims; a comprehensive public information program to insure that everyone understood what the new law said, contracts for developing computer software to track new Medicare out-of-pocket expense limits; special instructions to the States regarding new State mandates to cover low-income individuals, and a coordination strategy with the Department of Treasury.

To meet these complex responsibilities, dozens of new commissions, agencies, boards, and offices were created. Does that sound familiar? What I have just listed are some of the administrative nightmares that are replete in Clinton-Mitchell. Each one of these nightmares comes with its own bureaucracy, and Clinton-Mitchell has 170 of them.

Is there any doubt that if we take the Clinton-Mitchell road to health care reform, we will be repeating the very same mistake we made back in 1988? Today we have an opportunity to turn away from Government-run health care and all of its onerous bureaucracy. Calvin Coolidge was an interesting gentleman. I wish I could have known him.

But I have read so much about him and the things that he said. He used to talk about Thomas Jefferson. It's funny how everybody in every generation likes to talk about Thomas Jefferson, and I am one of them. Thomas Jefferson is one of my heroes. I have book after book about Jefferson and Jeffersonian philosophy. But that was true in Calvin Coolidge's day as well. One day he said:

The trouble with us is that we talk about Jefferson, but we do not follow him. Jefferson's theory was that the people should manage their Government, and not be managed by the government, and Jefferson was everlastingly right.

I believe that, and I believe most Americans do too. Would it not be nice again to have a President that refers to Jeffersonian principles and is actually guided by them? Certainly, the people should manage their Government and not be managed by their Government. And it follows that the people, not Federal bureaucrats, should manage health care.

Congress has a golden opportunity to improve our health care system. Let us not choose the road to higher taxes, greater bureaucracy, and more bureaucratic controls—and certainly not the road to socialized medicine. For two generations, Congress has traveled that road to oblivion. This time, let us take "the road less traveled," as Robert Frost cautioned us. And as Robert Frost further said, that will make "all the difference," because the American people will be spared the trials and the tribulations of socialized medicine.

When we gave that fine old gentleman named Mose that antique hearing aid more than 60 years ago in the office of the Monroe Journal, he pondered that it helped his hearing, but as he put it, "it don't help my understanding none."

This time I sincerely believe that the American people are listening and hearing more and understanding more, and the latter is the most important. If the American people have their way, they will not permit Congress to force them into buying a pig-in-a-poke or, for that matter, socialized medicine.

I thank the Chair. I yield the floor, and I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PRESSLER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. PRESSLER. Mr. President, I ask unanimous consent to proceed for 5 minutes as in morning business.

The PRESIDENT pro tempore. Without objection, it is so ordered.

THE CRIME BILL CONFERENCE REPORT

Mr. PRESSLER. Mr. President, I have been concerned about the crime bill, and I know that the House of Representatives is moving toward a solution. But there has been some misunderstanding in the country as to the reasons why the procedural vote on the rule for the crime bill was defeated in the House, in my opinion.

There were two key sections of the crime bill, as passed by the Senate, that were taken out by the conference committee. The first involved the D'Amato amendment requiring a minimum mandatory sentence for committing a crime with a gun—that is, if someone committed a crime with a gun, but did not shoot anybody, he would receive, in addition to his sentence for committing the crime, a minimum 10-year sentence for pointing a gun at another person when committing the crime.

If the criminal fired the gun while committing the crime, the D'Amato amendment required a minimum 20-year sentence. If a person was convicted a second time, the minimum mandatory sentences would be 20 years for carrying a gun, and 30 years if it was fired. A third conviction would have resulted in life in prison.

That is real gun control. There are 100 million guns in this country, and they are going to last 100 years at least. So you can talk all you want about banning a type of gun, but the problem is the person using the gun, not the gun itself. By having a mandatory sentence for using a gun to commit a crime, we attack the use of the gun, which is the real problem in our country. The D'Amato amendment is real gun control.

The second area which weakened the crime bill in the conference committee concerns the area of notification of a community of a sexual predator's presence. When the crime bill passed the Senate, it contained a strong provision—the Gorton amendment—which required and allowed officials to notify the community into which a sexual predator is released. The community notification provision was taken out of the crime bill by the conferees, and it is amazing that it was taken out. Indeed, there is a story in my hometown newspaper in Sioux Falls, South Dakota, of just such a case that is occurring right now. The community is in an uproar.

My point is that it should be a requirement that a community be notified whenever a convicted sexual predator is released into their midst. The community has the right to know where the sexual predator lives, even after he or she has done their time. I know some say this proposal violates the basic constitutional rights of the convicted predator, but I do not think it does.

It is very important that these two portions of the crime bill be restored, especially the community notification provision for sexual predators. This is a problem across our country. Recently, there have been two major stories, one from California and one from New Jersey, where a sexual predator returned to a community and killed little girls living there.

As the crime bill currently stands, only the police would be notified that a convicted sexual predator is about to be released into the community. And they cannot reveal the information. But under the Senate-passed bill, the Gorton amendment, the authorities would have a responsibility to notify the community and to make that information available to the news media, and so forth. I think that is a very, very important difference.

I do hope these problems are worked out. I hope we pass a crime bill. I voted for the crime bill when it passed the Senate, and it is one of those bills that we are struggling with here along with the health care bill. I think we will pass a crime bill and the health care bill eventually, but it is going to require all of us working together on those two matters. But it is very important that we do so.

I thank the President, and I yield the floor.

The PRESIDENT pro tempore. Under the order that was previously entered and agreed to, the Senator from Texas [Mrs. HUTCHISON] was to be recognized upon the yielding of the floor by the Senator from North Carolina [Mr. HELMS].

The Senator from Texas is recognized.

Mr. BIDEN. Mr. President, I ask my colleague from Texas if she would be willing to yield me 60 seconds.

Mrs. HUTCHISON. Mr. President, I am happy to yield to the Senator from Delaware 60 seconds or up to 5 minutes if that would suffice for his purposes.

The PRESIDENT pro tempore. The Senator from Texas yields to the Senator from Delaware up to 5 minutes.

Mr. BIDEN. Mr. President, I thank the Senator from Texas very, very much. I think the points raised by our colleague from South Dakota a moment ago as to notification relative to sexual predators is a very important point.

I would like to clarify something that seems to be misunderstood by everyone, understandably, because the House passed one version of a sexual predator bill, the Senate passed another version, and the conference report brought out a third version that is, in my view, much stronger.

The bill that is cited by my friend from South Dakota that passed the Senate, the amendment of the distinguished Senator from the State of Washington, Senator GORTON, was sorely deficient in two very important aspects.

One, he only required notification for a sexual predator if that sexual offender had been someone who committed a crime against a minor. So obviously if a person had gone to jail for committing a sexual offense against someone, brutally raping an 18-year-old girl or a 20-year-old woman, that person would not be in the category of having to be put on a registry.

Second, it was woefully deficient in that the Senator from the State of Washington in a legitimate attempt to protect the civil liberties of people insisted that before someone could be placed on such a registry, that is, a convicted felon, they would have to go before a board made up, I assume, of psychiatrists and psychologists who would have to determine whether or not that person was a serious sexual predator. The definition of predator had to be determined by this board. Only then, if they were determined to be a predator, not a sex offender, a predator, and only in that circumstance would a community have to be notified or the police have to be notified.

On the House side, the provision that they had was I thought also deficient in that although it was broader in its coverage, it was less specific in who had to be notified.

So, Mr. President, I took the liberty to make a suggestion to the conference, which they accepted, which was that we cover all, all sex offenders, regardless of what age the victim of the sex offender was and have a requirement that every State set up a registry whereby when a person, not a predator, any sexual offender, is released from jail, the registry in that State must be notified. That State then must have a criminal sanction available for any sexual offender released from jail after having served their time. This is not released on parole. This is after they served their full time. That State has to have in place, in addition to a registry, a requirement that there be a criminal sanction; that is, the predator or offender goes back to jail if they in any way attempt to avoid being on the registry.

Third, we put in another requirement, and that was that the police in the community, which would be notified, would have absolute immunity.

No one knows the Constitution better than the Presiding Officer who serves in this body. The Presiding Officer and others know we seldom ever give a police agency total immunity. We give them total immunity from civil suit if, in fact, they are notified whatever they do with the name.

Last, it is assumed that that police department would, in fact, notify the community. I respectfully suggest there is not a police commissioner, a police chief in the Nation once notified that a predator has been released and/or a sex offender, not having been ad-

judged a predator, would not notify the community.

But if it is the desire of my colleagues to add an affirmative requirement that the police department must notify the community, then I am more than happy to add that provision.

But I want to set the record straight, Mr. President. What we passed in the conference is considerably stronger than what we passed in the Senate and is considerably stronger than that was passed in the House.

Mr. PRESSLER. Mr. President, will my friend yield?

Mr. BIDEN. I yield.

Mr. PRESSLER. I know our colleague from Texas is waiting.

I commend my colleague from Delaware for his work on this matter.

I know in my hometown area in Minnehaha County, and in Sioux Falls, it is a very big issue at this moment.

I think the people of our country want a very strong community notification requirement. The people of our country want to be informed when a convicted sexual predator is released from prison and where he or she will be living. As far as the great concern of some for these people's civil rights, I do not think the public cares very much.

I thank my colleague very much.

Mr. BIDEN. I hope we have taken care of those.

Again, I thank the gracious Senator from Texas for yielding the time. She has been waiting. I truly appreciate it.

HEALTH SECURITY ACT

The Senate continued with the consideration of the bill.

The PRESIDENT pro tempore. The Senator from Texas [Mrs. HUTCHISON] is recognized.

Mrs. HUTCHISON. Thank you, Mr. President.

I do want to say to my colleague from Delaware that I do appreciate so much that he strengthened the bill in conference on that point, because it is a sore point. In addition to South Dakota, I know certainly it is a sore point in Texas, too.

The recognition that we must make sure that people have fair warning when people with this background move into a neighborhood and that we must protect our innocent people at all cost is very gratifying, and I appreciate the efforts on behalf of the victims of sexual assault for the efforts of the Senator from Delaware.

AMENDMENT NO. 2571

(Purpose: To strike the surcharge under a federally operated system)

Mrs. HUTCHISON. Mr. President, I send an amendment to the desk on behalf of myself and Senator GREGG and ask for its immediate consideration.

The PRESIDENT pro tempore. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Texas [Mrs. HUTCHISON], for herself and Mr. GREGG, proposes an amendment numbered 2571.

The amendment is as follows:

On page 182, strike lines 11 through 19.

Mrs. HUTCHISON. Mr. President, my amendment will remedy one of the many harmful effects of the pending Mitchell bill.

It would strike from the bill the takeover tax.

We have discussed a number of issues during the past week, but a regular theme has been the contention by many of us that the Mitchell bill constitutes a Government takeover of the American health care system to which we can point to a number of examples and the frequent denial of this fact by supporters of the bill often without further elaboration.

But, in fact, Mr. President, 55 new bureaucracies would determine what benefit package would be required and how they will be administered.

Just to give you a few citations of the 55 new bureaucracies there are: The National Health Benefits Board; the Health Insurance Purchasing Cooperatives set up by the States or local governments; Health Insurance Purchasing Cooperatives set up by the Federal Office of Personnel Management; National Guaranty Fund for Multi-state Self-insured Plans; the Assistant Secretary for Office of Rural Health Policy; the Federal Accreditation, Certification and Enforcement [ACE] Program; the Health Plan Service Areas; State Risk Adjustment Organization; Advisory Committee for Risk Adjustment Program; State Guaranty Funds; State Public Access Sites for Medically Underserved Areas; Prescription Drug Payment Review Commission, the Long-term Care Screening Agencies; the National Council on Graduate Medical Education; and the National Council on Graduate Nurse Training.

Those are just a few of the 55, Mr. President. I will not recite the whole list, but this reason alone is frightening enough. The Mitchell bill authorizes the Secretary of Health and Human Services to terminate a State plan if she finds it does not meet the Mitchell bill test, and bring in the Washington troops to take over. The Secretary of HHS could then charge every community-rated plan participant in that State 15 percent of the cost of their health insurance as payment for the Federal takeover.

I do not mean anything against the current Secretary when I say this because I have no knowledge of whether she or any of her successors would crave such authority. But when I speak of the American people who would pay that tax, I do not speak of them hypothetically. I know they cannot bear this burden easily.

A State loses control of its residents' health care if the Secretary finds that the State plan "substantially jeopardizes" the ability of eligible individuals

in the State to obtain coverage of the standard benefit package.

In my view, there should not be a State plan to examine, there should not be a standard benefit package to compare, and the Federal official should certainly not be able to run over a State and tax it so heavily.

Are States likely to pass the test? Well, I have served in two branches of my State government—legislative and executive—and I can tell you that burdens, the burdens imposed by Washington, are one of the great roadblocks to effective State government.

This bill imposes more than 177 new responsibilities on every State. I know the harm of unfunded Federal mandates. I do not think the Framers of our Constitution envisioned States as the meek servants of the Federal Government. In fact, I know they did not. I do not think they saw people as hapless clients of the State. We began as a nation of people who constitute a State which formed a Federal Union and delegated to it certain powers. The Mitchell bill stands this tradition on its head to create trickle-down democracy and trickle-down health care.

I ask again: Are States likely to pass the test? We could ask our friends in the Congressional Budget Office. They report:

It is doubtful that all States would be ready to assume their new responsibilities in the timeframe envisioned in this proposal.

Now, that is hardly surprising, when you think about it. State governments, which have their own problems, plus a whole series of mandates from Washington already, scramble to set up the new health care purchasing cooperatives, oversee their work, and make sure that everyone's care matches the prescriptions laid down by the Mitchell bill and all of the Federal Commissions. And they set up a complaint mechanism for each community-rated area. It is easy to see why the Congressional Budget Office says their success on the job is doubtful.

The States' responsibilities in this bill are overwhelming. Let me cite some of the more burdensome tasks that I see in this bill that are being asked of our States.

States must determine eligibility for the Mitchell bill's new premium subsidy program. This program has three new subsidies: Full subsidies for low-income individuals up to 100 percent to 200 percent of poverty; full subsidies for children under 19 and pregnant women for 3 months after pregnancy, up to 15 percent of poverty, phased out to 300 percent of poverty; and subsidies for the unemployed.

The Congressional Budget Office says that determining eligibility for the subsidies will be an enormous task for States, made more complicated by the three different subsidy programs for premiums that would be in effect.

States must also offer wraparound coverage; that is, continue to offer any

Medicaid service that is not offered in a Medicaid recipient's standard benefits package.

Further, States set Medicaid income eligibility thresholds within Federal parameters. These thresholds differ from those of the subsidy program, so it will make it a little more difficult.

The subsidy program could be a tremendous undertaking for other reasons, such as confirming involuntary terminations as to unemployment subsidies and in verifying State residency and income claims.

States must have subsidy recipients submit revised applications whenever changes in family income occur, including employment status of family members.

States must also conduct end-of-year reconciliation by requiring subsidy recipients to submit year-end income verification statements and determining what subsidies they should have received. States then pay deficit or collect excess.

The Congressional Budget Office comments that "the end-of-year subsidy reconciliation process in which the income of a subsidized family would be checked to ensure that the family received the appropriate premium subsidy * * * would be a major undertaking."

Once eligibility is determined for subsidies, the States must make the premium payments to the plans and then collect the Federal reimbursement—reimbursement paid at times and in a manner that the Secretary has not yet determined. These could be huge cash flow problems for our States.

And, as State treasurer, I know that managing cash flow is one of the greatest of all the burdens of our State government. We would add to that burden by having all of these payments and excesses every month, or maybe every 3 months, or maybe every half year. It will be a terrible burden to manage the cash flow.

States must draw boundaries for community-rated areas, make sure there are at least 250,000 people in each area, and conduct open enrollment periods.

Then States must establish complaint review offices for every community-rated area, maintain alternative dispute resolution methods in addition to that, and establish an early resolution program in each complaint review office.

States must establish fair marketing laws and standards, distribute enrollment materials and information on plans and cooperatives, and establish consumer information advocacy centers.

If that is not enough, States must establish data systems, and ensure that medical information data elements are transferred to health plans and health care providers in accordance with the Federal standards.

Here are some other new State responsibilities:

The Mitchell plan imposes a 1.75-percent tax on all health or accident premium payments in the country. This would have to be administered by the States.

The Mitchell plan authorizes States to assess a 1-percent tax on in-State premium payments to pay for the administration of this subsidy program. This amounts to saying it is OK for States to do what they would have a right to do anyway, to pay for this unfunded mandate, an unfunded mandate that the Congressional Budget Office estimates could cost States \$50 billion over 10 years.

States have always had the ability to assess premium taxes. They do not need sanction from the Federal Government to do so. In fact, this section gives no new authority, but it really sort of limits a State's flexibility.

These are only a fraction, Mr. President, of the 177 State responsibilities under the Mitchell plan. Many of them are clearly a burden on our States administratively, as well as financially.

Mr. GREGG. Will the Senator from Texas yield for a question?

Mrs. HUTCHISON. I am happy to yield to the former Governor of New Hampshire.

Mr. GREGG. I think, first, the Senator has brought forward an amendment which is very important, because, as she has listed and pointed out, this bill is filled with mandates put on the States, and if the States do not comply, the enforcement mechanism is incredibly onerous.

I was supplied a chart here that, assuming an annual premium of \$2,000, the effect of the tax, the premium tax, which you are trying to eliminate, on the citizens of the States, would be, if it were assessed—in other words, as I understand it, if the Secretary of HHS comes in and determines the State violated some mandates they sent to the State, would not comply with one of these ridiculous recommendations put on the States, the Secretary of HHS has a right to go into a State and take over the State's health delivery system and assess a 15 percent tax. And you are eliminating that 15-percent premium tax, which is a very good amendment.

But as I am reading this language, the effect of this tax, assuming an annual premium of \$2,000, it would be a potential of \$2.5 billion of new taxes on the citizens of Texas; it would be \$169 million of new taxes on the citizens of New Hampshire.

Let us take a couple other States here.

For the State of Illinois, it would be a \$1.8 billion potential new tax on the citizens of Illinois.

There is a total potential tax here of \$39 billion being assessed against the citizens of a State because they were

unwilling to follow these outrageous directives which the Senator has just listed. Is that correct? Is that what would happen as a result of this, if this language is not changed?

Mrs. HUTCHISON. The Senator from New Hampshire is absolutely correct. When you put all the taxes together that could be assessed if the States, cannot meet these mandates, almost \$40 billion. That is in 1 year.

Mr. GREGG. If the Senator from Texas will yield for an additional question, I would simply ask where can language like this have come from? What could have been in somebody's mind who would put in place language which would put that type of a gun to the head of a State government and the citizens of a State because they did not want to follow some directive of these new 177 directives? Does the Senator have any idea where this came from?

Mrs. HUTCHISON. I cannot say that I knew what the people who were writing this bill were thinking. But I can say I do not think whoever decided that this was the way to go had, probably, ever served in State government as has the Senator from New Hampshire and as I have. They have probably not met the cash flow forecasts and had to go out and borrow money just to meet cash flow deficits—not real deficits but cash flow deficits. Perhaps the people who wrote this bill did not realize that if we have a quarterly payment and we have to put that money out and we do not get our Federal reimbursement for 60 days—which is a possibility if we are lucky—that a State would have to go out and borrow money to be able to cover these payments.

It is just something that I do not think any of us who have been in State government would want to happen in our States. That is why I am pleased the Senator is cosponsoring this amendment, because I know he has had to meet those cash flow deficits as well.

Mr. GREGG. Mr. President, if the Senator will yield for just one more question—first, I want to congratulate her for this amendment. My question is, how many more of these little nuggets are in this 1,400-page bill that we are going to find? We found a \$10,000-per-person fine that was eliminated unanimously after it was discovered. We have had a couple of other amendments that have been unanimous, because even the majority leader came forward and eliminated some language in here that said the people who did not pay the premiums still had to be carried on their insurance policy by the insurance carrier. I guess he did not know it was in this bill. Even he knocked that one out. How many more? But I certainly congratulate the Senator from Texas for finding this one and bringing it to our attention. I guess it is going to be our business as a Senate to discover the rest.

Mr. ROCKEFELLER. Will the Senator yield?

Mrs. HUTCHISON. I appreciate the Senator from New Hampshire pointing out that the 1,400-page bill has already been amended several times. And it seems that the amendments have been put on because there were things in the bill that we probably did not know were there, or if we did, we did not know what the impact of that part of the bill would be. Therefore, we are amending this bill when we really do not feel that we have had a chance to study it adequately to make sure we are not doing something to the American people and our health care system that we would not absolutely understand and absolutely know.

I think that is a very good point, and I appreciate the Senator from New Hampshire making that point.

Mr. ROCKEFELLER. Will the Senator from Texas allow the Senator from West Virginia to ask a question on this matter to the Senator from New Hampshire?

Mrs. HUTCHISON. I will be happy to yield to the Senator from West Virginia to ask a question of the Senator from New Hampshire, if the Senator from New Hampshire is willing to take such a question.

Mr. GREGG. I make a parliamentary inquiry. I believe I have to direct any answer through the Senator from Texas; is that correct? I ask the Chair's advisement.

The PRESIDENT pro tempore. Is there objection to the Senator from Texas yielding to the Senator from West Virginia for purposes of his asking a question of the Senator from New Hampshire and with the Senator from Texas retaining the right to the floor?

The Chair hears no objection.

Mr. ROCKEFELLER. I thank the distinguished Presiding Officer, the Senator from West Virginia.

I say to the Senator from Texas, the reason I ask this question of the Senator from New Hampshire is that the Senator from New Hampshire, like myself, has been a Governor. I was a Governor for 8 years. I believe the Senator from New Hampshire was a Governor for at least two terms, 4 years. The Senator from New Hampshire is very much aware that in the operation of States, which the Senator has been discussing, there are a lot of demands that Governors have to make. And the word "mandate" is a word that frequently affects a Governor. A Governor must do these things.

The Senator from Texas was discussing the "mandates" or requirements put upon the States by this bill. I just wonder if the Senator from New Hampshire is aware, No. 1, that what is being discussed saves \$29 billion?

No. 2, in the Chafee-Dole bill, there are a series of mandates: The Federal Department of Health and Human Services takes over if the State pro-

gram fails to meet the requirements of the act; the Secretary shall, after notice, terminate such a program. There is power for the Secretary, and no role for the State.

Then in the Nickles-Dole bill, The Federal Department of Health and Human Services takes over if the State program fails to meet the requirements of the act again. The Secretary was given very, very broad discretion in the Packwood-Nixon bill back in 1974. Of course, the employer and State mandates that were in that bill are very well known. If there are mandates one can persuasively ask: What is coming next? How many more will there be? But I think as a former Governor, the Senator from New Hampshire and the Senator from West Virginia both understand that one does not make large programs work entirely without direction and the Republican plans contain similar requirements of the States and contain similar mandates.

Mr. GREGG. I appreciate the Senator's question. I know his sensitivity to this, having served as Governor of the great State of West Virginia. I have also had the honor to serve as Governor of New Hampshire. We do recognize when the Federal Government decides on a policy that more often than not it comes in and says to the States, "You do it or we are going to put some sort of gun to your head." Usually it is a fiscal gun.

But I think the point in this amendment is that in this bill the expansion of responsibility on the State is geometric. It goes beyond anything I have ever seen before in the number of obligations that are put on the State: 177.

Yesterday—and the Senator from West Virginia was kind enough to listen for a while—I spent considerable amounts of time going through some of the specifics. They are extraordinary in their responsibility and area of activity that the States would have to undertake. Small States like New Hampshire and I suspect West Virginia, even though it is obviously larger than New Hampshire, would have to incur massive amounts of expenses. And it really does not have any of the governmental infrastructure or know-how to be able to undertake and effectively address those responsibilities.

Yes, the Dole bill has some of this language in it, too. I hope when we get to the Dole bill, if we are so fortunate, the Senator will join me in, maybe, offering an amendment to clean up that language.

But the point of the Dole bill is that it is so much narrower in its obligations, what are put upon the States.

Mr. ROCKEFELLER. The Chafee-Dole bill or Nickles-Dole bill? Which bill is the Senator referring to?

Mr. GREGG. I am referring to the Packwood-Dole bill—the Chafee-Dole bill I was never a cosponsor of. Yes, they are in there. I do not think it is

right to put these obligations on the States in that bill, either. But my point is that they really are minuscule, compared to the explosion that is in this bill.

Yesterday I read through 177. I do not want to go through it again because it would be tedious and obviously the Senator is up to speed on them also because he sat through some of the discussion yesterday. But the cost is extraordinary. The Senator mentioned there is \$29 billion savings to the States. I note the CBO said this bill is going to cost the States \$50 billion to administer, that is just administer. I would say in the case of the State of New Hampshire, I asked our Health and Human Services people for an evaluation of the assessment that this was a money savings event for New Hampshire. They came out and said to me, talking about the Mitchell bill now, it is not a money-saving bill. Because of some unique measures they had not anticipated, since they did it from a national viewpoint and assessed each State on a national scale, but because of New Hampshire's situation it would be a money loser under the Mitchell bill. So my view is it is wrong for the Federal Government to assess all these additional obligations on the States and then come in and say if the State does not do them, we are going to assess the citizens of the State a 15-percent premium tax—each citizen of the State can get hit with that 15 percent premium tax. Even if you accept the fact that the Federal Government should have some enforcement mechanism, why aim the gun at the poor citizens of the State? Why not at least just take out the Governor?

Why not say the Governor shall comply, and if the Governor does not comply, then the Governor shall be responsible in some way? What the Senator from Texas has offered is an elimination of this 15-percent tax which flows to each individual in the State. Let us not hang each individual in the State, let us not hang them all because we feel that the Governor needs to be hanged because the Governor stood up for the States rights or something and decided they did not want to follow the 177 mandates. I think the amendment of the Senator from Texas makes sense.

Mr. ROCKEFELLER. I say to the Senator from New Hampshire, I understand what he is saying, and I appreciate the fact that he recognizes that a variety of bills, both Democratic and Republican, put requirements upon the States. They may differ as to the amount. You cannot make big programs work without some kind of structure.

Mr. GREGG. I acknowledge that as a fact of life that there are going to be obligations throughout the State. The problem is this bill puts such new massive obligation on the States that they exceed anything I have seen before.

More importantly, the thrust of the arguments of the Senator from Texas is, if the States do not comply, the penalty should not run to every citizen in the State with this premium tax surcharge. It should be rather a debate between the State government and the Federal Government, not a debate which puts a gun at the head of every citizen in the State and says, "Because your State Governors decide to maybe make a stand on the issue of not wanting to get involved in labor reorganizations and hospitals reorganizations, you are going to be assessed with a tax."

Mr. ROCKEFELLER. I thank the Senator from Texas and the Senator from New Hampshire.

Mr. GREGG. I thank the Senator from West Virginia for his courtesy, and the Senator from Texas for her indulgence.

The PRESIDENT pro tempore. The Senator from Texas has the floor.

Mrs. HUTCHISON. Mr. President, I am always glad to hear the former Governors, and I as a former State treasurer, talk about all the State mandates we give them and the inability to always pay for those. I will just submit that this is exacerbated by the fact that the timetable is also an onerous burden. All of this is required to be up and running by January 1, 1997, or the Federal Government steps in and charges 15 percent to do it. That is only 1½ years after the Federal regulations are going to go into effect on July 1, 1995. The Congressional Budget Office calls compliance doubtful. I think the Congressional Budget Office is being kinder and gentler.

This is trickle-down theory, no question about it. This is a top-down Federal approach to standards, rules, and regulations. The Federal Government promulgates Federal directives and the States administer the rules and regulations for the citizens to comply and pay for. This bill is doomed because it is going to have a failure rate by the States, and we are going to end up with a Federal-run health care system. The States cannot possibly meet these deadlines, and especially with only the minuscule amount of money that is given to them by us to try to get this up and going. It is massive. It is 177 new mandates that they must comply within 1½ years.

To all of my colleagues who keep trying to tell us that this bill is not a Government-run health care system, I just urge you to read this section. The 15-percent tax exposes the extent of State bureaucracy that would be established under the Mitchell bill. This tax illustrates the considerable Federal encroachment on the Mitchell plan. The 15-percent tax in this bill indicates what the Mitchell group thinks it would cost to run this system, and it would be a huge tax. As my friend, the Senator from New Hampshire, says, it

will be \$40 billion if every State has to pay this kind of tax.

Let us look at an average family. This provision will severely impact the hardworking middle class. Not only will the average family of four have to buy the standard benefits package, pay a 1.75-percent tax on their premium, possibly pay a 25-percent tax on their premium, but now if this provision is in place, these middle-class Americans may be subject to yet another 15-percent tax.

So where does that leave an average family of four? The Heritage Foundation estimates that under the Mitchell bill, by the year 2002, after earning between \$30,400 and \$76,000, the premiums for an average family of four is estimated to cost over \$8,600. And if you add the 15-percent tax to their burden, it would be an additional \$1,300, bringing the total cost of their premium to almost \$10,000.

If this family does not go beyond the standard benefits package, the CBO says the premium would be \$5,883, plus the \$102 for the 1.75-percent tax, plus \$882 for the 15-percent tax, for a total of almost \$7,000.

Everyone outside this Chamber knows that we are conducting a dangerous business. They feel we are playing with fire. They want us to slow down. Two-thirds of the American people want us to go home and start over next year. My office receives up to 2,500 calls per day, and they are 10 to 1 against—10 to 1. Some Members of this body may take our constituents for fools, but I do not. I think the American people are ahead of Congress on this issue, and this is not a new phenomenon.

We are not anywhere close to a good bill now, and the more time that we spend with our constituents, the more we realize that the bill before us does not reflect their needs or their expectations.

Mr. President, this is not federalism. This is paternalism. King George III said, We are going to govern you in the United States and we are going to charge you 15 percent for the privilege. We revere our forebears who threw off the yoke of an intrusive Government unresponsive to their local needs. Do we carry on this Government in their name only to gather up that liberty, hard won and precious, to have deadlines, Federal standards and commissions overtake this country. If we do so, I think we betray the independence that we fought for and I think we renounce the heritage that our forefathers and foremothers gave us. The States are not Federal creatures to be overruled. They are not to be bossed around, and they are not to be cast aside at will.

President Reagan said, "All of us need to be reminded that the Federal Government did not create the States, the States created the Federal Government."

My amendment will save our citizens from a 15-percent tax forced by the Federal Government, and it is a good amendment. I urge my colleagues to support it.

Thank you, Mr. President. I yield the floor.

The PRESIDENT pro tempore. The question is on the adoption of the amendment.

Mr. ROCKEFELLER addressed the Chair.

The PRESIDENT pro tempore. The Senator from West Virginia is recognized.

Mr. ROCKEFELLER. Mr. President, will the Senator from Texas yield for an additional question?

Mrs. HUTCHISON. I will yield, Mr. President.

Mr. ROCKEFELLER. There was a point during the Senator's presentation that she was talking about paperwork, the kind that burdens all of us. And she referred to the standard benefit package. I wonder if the Senator has thought about the impact of having 1,500 different insurance companies with 1,500 different insurance forms. This junior Senator from West Virginia has been to see his own insurance records. Has the Senator from Texas been to see hers?

Mrs. HUTCHISON. Have I been to see?

Mr. ROCKEFELLER. Your actual health insurance records.

Mrs. HUTCHISON. No, I have not had that experience, I am proud to say.

Mr. ROCKEFELLER. It is a grim experience. I advise the Senator to do that because it shows the absolute proliferation of paperwork in our current medical system. You have forms from HCFA, from different insurance companies, forms from all over the country. I was literally unable to put my arms around them. You could not possibly have lifted my insurance records.

Under the bill before us there will be a single form and all insurance companies would use it. It might be one page or it might be two pages. As a matter of fact, we already have a draft of it.

Having a single form would save \$9 billion over the cost of 1,500 forms not to mention the inconvenience of the paperwork. I wonder if the Senator was aware of that?

Mrs. HUTCHISON. I am aware of that. Let me say that I agree totally with the Senator from West Virginia that we should have standardized forms, and that is in the Dole bill, or it should be if it is not.

Let me say that I think we can make great improvements, just as the one that the Senator has mentioned, without throwing out the whole system and without the massive Federal bureaucracy that is put in place by the Clinton plan or the Mitchell plan or some of the other plans that we have seen on this floor.

One of those is the one that the Senator has just mentioned. A standard-

ized form would make such a difference. It would bring the cost of health care down, so that the money being spent for that can go into better health care, for productive uses.

But we do not have to throw out the system in order to have that kind of very good improvement to the health care system that we have now. That is why I am supporting a plan that would make improvements in our system. I think we need to do that, and we need to be committed to it. We do not need to walk away from it at all. But we do not have to have the massive Federal bureaucracy get involved to standardize forms.

Mr. ROCKEFELLER. Mr. President, you do not need a Federal bureaucracy to create a single form. It is something that we would have the private insurance industry do. After all, all of our plan is to guarantee private health insurance. It has nothing to do with the Federal Government at all.

But if I might just ask one further question of the distinguished Senator from Texas. Maybe the Senator could help me understand why in the Dole plan, with respect to the Federal employee health benefits provisions, says "insurers may charge a 15 percent surcharge for enrollment."

This means that the American people will have to pay more than their Member of Congress for exactly the same plan.

Now, that is on page 117 of Senator DOLE's plan. And on page 85 of his plan, he allows insurance companies to add up to 15 percent in administrative charges to community-rated premiums.

I am wondering how it is that the Senator finds this acceptable, in the Dole plan while she criticizes the Mitchell plan for having excessive administrative costs?

Mrs. HUTCHISON. I appreciate the question from the Senator from West Virginia. We do not have the "all plan," the Dole plan, on the floor. If we did, I think there would be some changes that we would all want to make in the Dole plan. I will just say, though, that starting with the Dole plan would give us a base that we could easily take from and enhance the bill and make it better. I certainly think that we have more choices in the Dole plan. Having access to the Federal system is something I am totally committed to by our small businesses. I think that is a very good opportunity that we should give to people.

When we have the Dole plan on the floor, I hope that we can do that because I think if we could start from a base of the Dole plan, where it is not 1,400 pages with 55 new Federal bureaucracies and 177 new State mandates, we will have no State mandates in the Dole plan. We will have some subsidy boards that will determine the subsidies, but nothing like 177 new

mandates. We will not be creating a big Federal bureaucracy.

Let us put the Dole plan on the floor and let us talk about some of the nips and tucks that we would be able to take in that plan to make it better.

But for Heaven's sake, let us not start from the top and trickle down through 1,400 pages and try to make a good bill out of a bill that just is not workable.

Mr. ROCKEFELLER. To the Senator from Texas, if she would be patient once again, I am trying to be fair to each of us and to each other's plans as we select areas of criticism.

We are about to agree to the Hutchison amendment. That says that we reflect the Senator's concern, respond to her concern, acknowledge her concern.

The Medicaid cuts called for by the Dole plan will shift \$35 billion from the Federal deficit to State budgets over 5 years, and I think in the case of Texas, that comes to about \$2 billion. That is awkward for the Senator from Texas. I point that out.

I hope that she will join with me in understanding that as we trade words back and forth, we know the American people want and expect a health care reform bill that is signed by the President; that we are in fact deeply committed to that; we were sent here for that, and we intend to do it. I thank the Senator from Texas for her extraordinary patience.

Mrs. HUTCHISON. I just say in response to the Senator from West Virginia that I would be delighted if we could put the Dole bill before the Chamber and let us work from that as a base, because if it is, indeed, the Senator's desire to have a health care reform bill that we can pass, that we can be proud of, and know that it is going to be good for this country, we can start from the Dole bill and we can refine it, and we can come out with a very good plan.

I do not think, however, that we can start from the Mitchell bill, which is such a drastic change, which has the takeover mechanisms that we have already found need to be amended in so many ways to put it into shape, and it is not acceptable to the American people. I think that is clear from the massive calls we are getting in our offices. And I would just say that if the Senator really wants a plan, let us put the Dole plan on the floor and talk about what is in it, because Senator DOLE has already said that he would be happy to discuss these cuts because they are much less—much less—than the Mitchell bill, and we are not even talking about a massive number of new bureaucracies because there are no mandates, and there are no taxes in the Dole plan.

We could start from a base that says we want to improve our system, we want portability, and we want to do

away with preexisting conditions. We want malpractice reform, which is the only real reform that can bring the cost down. We want the standardized forms that you have mentioned earlier. We want pools that allow individuals to have access to affordable care. Let us start from that kind of base and see if we cannot put together a plan before the end of this year that the American people will accept, and where we will be sure we know what the impact will be.

So I thank the Senator from West Virginia and I hope that we can work together on something that is positive and productive.

Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. KEMPTHORNE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. KEMPTHORNE. Mr. President, I would like to speak to the amendment before us that was introduced by the Senator from Texas. I would like to give an example of what would happen in the State of Idaho in the event that the program in the State were taken over by the Federal Government. In Idaho, that would affect approximately 540,000 insurance policy holders.

The question that I posed to myself and to the Senate is: Is 15 percent assessment truly reasonable? I have put it in terms that deal with Idaho, to use that as an example. Currently, Idaho charges a 3 percent fee on insurance premiums in the State—that yields approximately \$40 million—of which only \$3.9 million is used actually administering the program in the State.

Let me restate that. We assess a 3 percent fee in the State of Idaho, of which only 10 percent of the amount of money that is collected is actually used to administer the program. This means that three-tenths of 1 percent of the insurance premiums in the State of Idaho are sufficient to cover the expenses of the Idaho Department of Insurance.

Under this bill, it apparently would take 50 times the amount of funds now used to administer the State program in order to administer the Federal program. I think, Mr. President, this demonstrates the level of bureaucracy that is in the Clinton-Mitchell plan. I also think that this demonstrates that this bill provides what Americans do not want, and that is more taxes and more Government.

Mr. President, I wish to commend the Senator from the State of Texas who has pointed this out to us—again, using the example of one State out of the union, where we use three-tenths of 1 percent to administer it in the State.

Apparently, at the Federal level, it would take 50 times the amount of money for that sort of administration.

I ask unanimous consent that I be added as a cosponsor to this amendment.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. KEMPTHORNE. I yield the floor.

Mr. WARNER addressed the Chair.

The PRESIDENT pro tempore. The Senator from Virginia is recognized.

Mr. WARNER. I thank my friend and colleague from Idaho.

Mr. President, I addressed the Senate earlier today very briefly in a colloquy, and I would like to continue my remarks at this time and have that appear at this point in the RECORD.

Mr. President, my theme of this set of remarks is to preserve and protect. We have in our great United States the finest health care services in the world. Our physicians and our nurses, and all manner of health professionals, our hospitals, our medical schools, laboratories, research facilities, all are unsurpassed.

There is one thing that no amount of debate can distort the fact—

[Disturbance in the visitors' galleries.]

The PRESIDENT pro tempore. The galleries will please be in order.

The Senator is recognized.

Mr. WARNER. I thank the Chair. There is one fact that is indisputable. Americans do not leave our shores to seek health care elsewhere. People come from all over the world to our United States to receive the benefits of this system. Does it need some repair? Yes, it does. We recognize that costs are growing, and we also recognize there is a significant number of our population that somehow do not have access. I could go on.

There are other areas in which we want to provide some help, and we will. But our primary goals from the outset of this reform effort have been to provide better health protections for the American people, for those with little or no protection, the underinsured and the uninsured. Our intent is to provide them with the means of acquiring health insurance coverage. For the vast majority of the American people with insurance coverage—some 86 percent—our efforts have been focused on protecting them from the ravages of skyrocketing health care costs.

I, too, like every Member, have heard from our constituents about the problems. I have taken some of the calls in my office. I want to take them, because you learn every day as we debate and receive these calls. I remember well the plight of a Fairfax County man, the father of a child with spina bifida, whose employer, the owner of a lumber mill, had been presented with a terrible choice. The insurance company presented that choice. The insurance company said: Yes, we will renew the pol-

icy for this company—let us say it had 100 employees—however, we have knowledge of this one family that has this child with the spina bifida problem. Then the insurance company said to the company: If you keep that family in the plan, the same plan that provides for upwards of 100 other employees, the company's premiums could go up as high as 110 percent. But if you drop the family with the sick child, your premiums will only go up 12 percent.

We do not want our companies and our families faced with those choices. More recently, I recall the case of a very fine young professional woman who came to Virginia from California to be closer to her family. She had a minor health condition while she was in California working, but she had always been able to treat it with a reasonable medication. After just the first few months on the job, this problem re-occurred, but this time in a very serious and painful manner. The plan with her new employer said that in that first 6 months if there is a recurrence of a previous condition, the plan does not cover. This woman was faced with the choice of enduring the pain and the suffering to try and get to that 6-month benchmark. She could not make it. The personal pain and discomfort and risk to her health was too great. But, thankfully, through a combination of concerned, willing, and generous physicians and providers, the woman was able to have her operation, but not before going through a great deal of mental anguish and physical torment.

These are the stories we have before us here. These are the stories that we take into consideration as we confront this problem.

In recent years I have joined with other Senators in cosponsoring the marketplace reforms on which we all agree, which would probably pass this body this moment by unanimous consent given the chance.

The Senator from Pennsylvania [Mr. SPECTER] has already alluded to his marketplace legislation, a version of which passed the Senate 2 years ago with the support of the then-chairman of the Finance Committee, now the distinguished Secretary of the Treasury, Secretary Bentsen.

Eliminating preexisting condition exclusions, guaranteeing health insurance renewal and portability, providing full deductibility of health expenses for the self-employed, these are steps we could have taken long ago if, as I recall, we had had more cooperation, frankly, from the other body.

For the last 2 years, I have been associated with the Republican health care task force established by my dear friend and colleague of many years, Senator CHAFEE. He has done a courageous effort, week after week, month after month, year after year. He has conducted meetings to which all of us

have been invited, and I have attended many from time to time.

I would further commend my distinguished Republican leader, Senator DOLE. I spoke of him this morning. He has come up with a plan embracing those achievable goals to which I alluded. His plan really has not, in my judgment, received the full consideration as yet to which it is entitled.

Forty Republican Senators joined Senator DOLE in S. 2374. The legislation by Senator DOLE combines insurance and tax reforms with a serious package of tort reforms, medical IRA's and low-income subsidies to help make insurance more accessible and affordable. The Republican leader and his staff have contributed immeasurably to the health reform process.

My long-time staff member, Rimmel Dickinson, has participated with this task force every step of the way.

The Commonwealth of Virginia has not been idle in the campaign to expand and improve affordable health care coverage. The Virginia General Assembly is one of 21 State legislatures which has approved important tort reform with caps on both damage awards and the statute of limitations.

Furthermore, in last year's session of the Virginia General Assembly, the Commonwealth approved a number of proposals designed to improve access to primary care in medically underserved areas and bring needed insurance reforms to the small business community, including guaranteeing issue to small employers with 2 to 25 employees of a modified community rating system to limit rate variations to 20 percent above or below the State average, guaranteed renewal, and a maximum 1-year limit on preexisting-condition waiting periods.

I am sure that it is equally important to all my colleagues that we not undermine, unintentionally through Federal legislation, or otherwise the very real progress which is being made in health care reform in many States, Virginia and many others.

Indeed, I acknowledge the important work done here by Senator GREGG. As a member of the working group on health reform, I volunteered to represent the interest of the military community. Very little has been said about that.

Mr. President, I know there are other Senators waiting to speak, and I will address subsequently in detail the current status of the military as it relates to health plans now offered by the Department of Defense, the CHAMPUS Program, and a new one called TRICARE. This will take considerable time, and I look forward to addressing the Senate at another day on this important subject.

I yield the floor.

The PRESIDING OFFICER (Ms. MOSELEY-BRAUN). The Senator from South Dakota [Mr. DASCHLE].

Mr. DASCHLE. Madam President, I wanted to have a minute or two to talk on the Hutchison amendment. I, like many others on both sides of the aisle, support her amendment. But I think it is important we try to put it in its proper perspective.

The distinguished Senator from Texas offered the amendment, pointing out that the Mitchell bill contains a 15 percent premium surcharge, under certain conditions.

First, let me describe what those conditions are and then attempt to put the issue in its proper perspective.

The Senator from Texas is correct in stating that there are some consumer implications here, and we need to be aware of those. She indicated that there was about a \$40 billion cost overall, and I am not sure that is correct. We will have an opportunity to look at that figure more carefully in a little while.

But the reason that provision was incorporated in the legislation is very simple. If a State failed to ensure that all of its citizens had access to, a standard plan with standard benefits, if the State administrative infrastructure broke down and the Federal Government needed to come in to ensure that there was adequate consumer protection in that State, it was estimated that there may be some additional administrative costs to the Federal Government.

We had one of two ways of dealing with that.

First of all, the taxpayers of all States could absorb the extra expense. On the other hand, one could allow an additional premium surcharge. Senator HUTCHISON's amendment would delete the premium charge, and we are prepared to accept that provision, recognizing that other taxpayers may have to pay the additional Federal costs.

But I think it is also fair to compare this provision to similar provisions in other bills. The most appropriate comparison would probably be to the Dole bill. The Dole bill addresses situations like this as well. On page 85, the Dole bill deals with administrative charges. Let me read, Madam President, into the RECORD what the Dole bill says with regard to additional premium charges.

In accordance with the reform standards, a community rated health plan may add a separately-stated administrative charge not to exceed 15 percent of the plan's premium which is based on identifiable differences in marketing and other legitimate administrative costs which vary by size of the enrolling group and method of enrollment, including the enrollment directly through a health plan, an employer, or a broker (as defined in such standards).

Madam President, we just estimated that there may be 100 million people enrolling in community-rated plans. We estimated that a 15 percent charge, assuming about a \$6,000 overall annual

premium, would be about \$900 per person per year. At \$900 times 100,000 people, one has \$90 billion in additional charges allowed under the Dole bill. That is one premium charge allowed in that plan.

Let me deal with the second one. On page 117 of the bill it says, in addition, to the 15 percent charge allowed for community-rated plans referring to the FEHBP:

A carrier offering a health benefits plan under this chapter may charge a fee to participating small businesses for the administrative expenses related to the enrollment of such businesses in such plan, not to exceed the lesser of 15 percent of the premiums charged each such business, or the amount charged each such business of the same size.

So, Madam President, under the Dole bill, if you are enrolled in an FEHBP plan and you work for small business—since they are the only ones allowed to enroll in FEHBP—you pay a 15 percent surcharge. This charge covers additional administrative costs. Who does the extra charge go to? The insurance companies. It provides protection for every insurance company; every company selling these plans can charge 15 percent more than the standard premium.

I would be a little more sympathetic to the concerns expressed by many on the other side of the aisle about this increased cost if I could see there was some evidence that they were also concerned about premium surcharges in the Dole plan. But we have a lot of co-sponsors of the Dole bill who are prepared to allow a 15 percent surcharge on any non-Federal employees enrolled in an FEHBP plan.

I think it is important that we put this whole issue in perspective. This amendment is going to pass and we will eliminate the 15 percent assessment in the Mitchell plan. We will try to deal with the administrative costs, however they may be incurred, in the future.

Obviously, as we have indicated in the past, if there are differences on issues like this, we want to try to be accommodating and achieve compromise that is mutually acceptable.

But let us make sure we understand one thing. There are 15-percent premium surcharges in the Dole bill that do not finance overall administrative costs of the system, but go directly to insurance companies. I think that point needs to be made. I hope that our Members are appreciative of that fact as we consider this vote.

With that, I yield the floor.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Madam President, I came over to talk about health care and crime. I did not intend to get into a debate, but I cannot let that last statement pass. Let me go back and try to put all of this into English so we can understand exactly what is being said, and let me begin with the pending amendment.

First of all, the distinguished junior Senator from Texas [Mrs. HUTCHISON] has offered an amendment to strike a provision in the Mitchell bill that allows the Secretary of Health and Human Services to determine if a State is running its health care system the way the Federal Government has told it to run it, and if not, to impose a tax, a 15-percent excise tax, on the premiums paid by every person in that State for the health insurance that they are buying. It is a tax that the Secretary of Health and Human Services can impose based on her determination as to whether she believes the States are doing things the way that Washington tells them to.

We are offering an amendment to strike that provision because we do not believe that Washington should be able to impose a tax on people buying health insurance in the State.

Now despite the fact that this provision is at the very heart of the Mitchell bill, our colleagues on the other side of the aisle have decided that they no longer support this Government edict on people and that they are not willing to defend a bill which they have co-sponsored. And I delight in that, because it shows that old Biblical admonition is, in fact, true: "Ye shall know the truth and the truth will make you free."

What is happening is America is starting to understand the Mitchell-Clinton plan; they are rejecting it in overwhelming numbers; and even its proponents do not defend it anymore. That is democracy in action, and I am not in any way criticizing anybody for that.

Now what is being said here, however, is that this Mitchell tax is somehow related to the Dole plan. I have to take exception to that. What the Dole plan has is not the same tax, but a provision which says that if you are going to buy your health insurance through the Federal system where Government employees buy their health insurance, that Federal insurance system can ask you to pay a fee for administrative costs. And, whereas the fee is not capped in any way in the Mitchell bill, there is a cap imposed in the Dole bill that says that if you choose to buy health care through the Government system the fee that can be charged cannot exceed 15 percent; and that the fee can be used only to defray administrative costs to see that Government employees are not subsidizing people from the private sector who are using their system.

To somehow suggest that, under the Dole bill, which says if people opt to buy health insurance through the Government system, they ought to have to pay administrative costs so Federal employees do not have to subsidize them, to suggest that this capped fee is in any way related to, comparable to, or relevant to the ability of the Sec-

retary of Health and Human Services to impose a 15-percent tax on insurance buyers in a State if the State does not do it the Washington way, is, I think, missing the mark by a substantial margin.

THE CRIME BILL

Mr. GRAMM. Madam President, I want to talk about crime, and then I want to talk about health care.

Let me try to go back and relate for a moment where we are on the whole crime issue, where we got off the track, and what I think we can do to fix it.

But, in doing this, I want to alert the President and others to the fact that, whatever they do in the House, unless they fix the very real problems in this crime bill, they are heading toward another legislative train wreck in the Senate. So, given all the time and energy that they have put into the crime bill, I want to urge them to fix it properly the first time so that we can then adopt this crime bill in the Senate.

What happened to our crime bill? When we voted on the final crime bill in the Senate, I think that only four Members of the Senate voted no, and a couple of them were strong opponents of the death penalty. So, for all practical purposes, we had a near unanimous vote for the strong crime bill that we were all proud of.

But, as has happened for the last 6 years, we passed a good crime bill and the House passed a crime bill; we went to conference, and in conference, where we have domination by a very small number of people, all in the same party, the majority party, the crime bill was changed so much that it turned out not to be a crime bill that was similar to what we had all passed and what we had all rejoiced in.

There are a lot of problems with the crime bill, but let me outline very specifically what is wrong with it and what is going to have to be fixed, and what we are going to do about it if it is not fixed.

First of all, from the time the crime bill left the Senate until it came back, about \$8 billion of new spending programs were added to it. Many people on my side of the aisle have called this spending pork barrel spending. Pork is in the eye of the beholder, I admit that.

But what has happened is a bill that in the Senate was a get-tough crime bill that put police officers on the street, is now a bill that employs two social workers for every police officer it puts on the street.

We have grants in the billions that will go to these privileged groups that will be chosen by people in the Clinton administration. Their directive in spending the money basically boils down to, when you cut through all the legalese, "Spend the money however you want to spend it, and if by spend-

ing it you reduce the probability that you or anybody else will commit a crime, that is OK."

Now, the American people have reacted with some anger about what has happened to the bill which originally represented their legitimate agenda. My calls on the crime bill are running about 900 a day, that are actually getting through. It is very hard to get through on the telephone to my office because people are calling on crime and they are calling on health care. But of the calls that are getting through, they are running about 10 to 1 against the crime bill.

One of the biggest complaints that people in my State have is: Why are we hiring two social workers for every police officer we are hiring, and why are we giving away all of this money when, the last time we looked, the Government was broke? It seems to me that that is a legitimate question that we ought to ask ourselves.

I want that \$8 billion out of this bill.

Now, the President has proposed—and it is very interesting; it tells you something about our President's priorities. He has said,

Well, look, let's compromise. Let's take \$4 billion out, but let's reduce it across the board. Let's cut the number of police officers, let's cut the number of prisons we are building, let's cut some of this social work spending, and let's do it proportionately.

My answer to that is no. In Texas, we would say it a little more emphatically, but I am in Washington today. My answer is no, I do not want to reduce police officers and I do not want to spend less on prisons, and neither do the American people, and it is their bill.

We claimed we were building prisons and we were hiring police officers and we were getting tougher on criminals. Nowhere in all of this wonderful rhetoric, either by Members of the Congress or by the White House, do we have a reference to all of the social spending that has now been built into the bill.

So I am not suddenly going to act as if all spending is equal. Social spending in a crime bill is not equal to building prisons. Social spending in a crime bill is not equal to hiring police officers. And I am not going to accept an across-the-board cut. I want to cut the social spending that was added to the bill.

Second, the fate of the get tough provisions contained in the Senate bill is very interesting. I offered in the Senate for about the sixth year in a row, a provision that required 10 years in prison without parole for possessing a firearm during the commission of a violent crime or a drug felony; 20 years for discharging it; life in prison for killing somebody; and the death penalty in aggravated cases.

It is hard to recall exactly, with all the votes on it over the years, but I

think 92 Members of the Senate voted for that. But, guess what, when the bill got to conference, when a small number of Democrats made the final decision, miraculously for the sixth year in a row that provision disappeared. It just was left out of the bill somewhere.

I had another provision which I have offered to every crime bill that we have had for 6 years in a row, to try to deal with the problem of children being used in drug felonies. As we all know, many drug hoodlums have discovered that our juvenile justice system is a joke. So in actually delivering drugs, where the drugs change hands, increasingly these people are using children to conduct the exchange so that if there is an arrest at the point of transfer, you have a child who is obviously a juvenile, they do not end up going to jail, and the drug hoodlum is protected.

We also, obviously, have people who are out near our schools trying to sell drugs to our children. So for 6 years in a row I offered a provision that said: 10 years in prison without parole for selling drugs to a minor or using a minor in a drug conspiracy, and then life imprisonment on conviction of a second such offense.

I offered that in the Senate. I have offered it every time we have debated crime for 6 years. And, guess what, it was adopted overwhelmingly in the Senate. This year I think it was adopted unanimously. We get to conference, they write a bill and, guess what, that provision gets left out of the crime bill.

But let me tell my colleagues a provision that got put in the crime bill. From the day Bill Clinton became President, he and the Attorney General have had an agenda about minimum mandatory sentencing for drug felons, and that agenda has been they want to overturn mandatory minimum sentencing for drug felons. They do not go around talking about it, but they have consistently worked to do it. And, guess what, when this final crime bill was written in conference, it came out with a provision that not only overturns mandatory minimum sentencing for drug felons who are arrested and convicted in the future, but miraculously it goes back and does it retroactively.

Let me read what the judicial impact statement, issued by the Administrative Office of the U.S. Courts, says about this new provision, new to the Senate—this new provision in the crime bill. They say:

According to preliminary estimates developed by the Federal Bureau of Prisons, somewhere between 5,000 and 10,000 Federal prisoners could meet the eligibility requirements. This provision could result in an influx of prisoner releases, early, from prison.

Madam President, how many Americans believe that in the name of passing a get tough crime bill that we are going to go back and retroactively let as many as 10,000 drug felons out of

prison? My guess is that until this debate started on the conference report, if you had told any American that this crime bill the President is always talking about was going to let 10,000 drug felons, many of them in prison for selling drugs to children, back out on the streets, they would have said that is not possible. It ought not to be possible. But if this bill passes in its current form, not only will it be possible, it will have happened.

Let me tell my colleagues what the U.S. Sentencing Commission says about this provision. The U.S. Sentencing Commission has looked at this provision and they say that, as of June 1, 1994, here are the people who would definitely be affected and who could possibly be affected, by their estimates, in terms of releasing people currently in the Federal penitentiary who are there for selling drugs. They say, "definitely affected, 4,987."

They say that 55.6 percent of all drug felons in the Federal penitentiary will be definitely affected by this provision, which retroactively will go back and reduce their sentences and give them a chance to get out of Federal prison, that is 4,987. They say another 2,057 could possibly be affected.

The National Association of Assistant U.S. Attorneys—let me tell you what they say about this get tough crime bill, and particularly about mandatory minimum sentencing for drug felons. They say, in a letter dated August 17:

The present crime bill contains a provision which not only severely negates the benefits of mandatory minimums for a certain class of offenses, but also would permit the filing of 10,000 to 20,000 frivolous lawsuits which would cause prosecutors to spend their time in needless litigation instead of investigating and prosecuting criminals.

Madam President, is this what we want to do in the name of a crime bill?

Finally, one of our colleagues the other day quoted a letter from the Justice Department that said that they estimated only 100 to 400 inmates would be immediately released by this provision. But they did not quote the next paragraph which says:

Of course, it will take considerable time for motions to be filed and considered by the courts, hearings to be held and new sentences to be imposed. Therefore the impact of the safety valve on this population [that is people who are in prison for selling drugs] will take effect over several months at a minimum.

To finish up on crime and turn briefly to health care, when the crime bill comes to the Senate, after the House has decided what they are going to do, the crime bill will be subject to a point of order under section 306 of the Budget Act. And that point of order, when it is raised, will require that 60 Members of the Senate vote to waive that Budget Act point of order in order for the crime bill to be brought up to be passed.

When that point of order is raised, if 60 Members of the Senate do not vote to waive it, the crime bill will at that moment be brought before the Senate, it will be amendable, and at that point we plan to offer an amendment to take out this "get out of jail free" provision that would release as many as 10,000 drug felons.

We are going to remove, with an amendment, that \$8 billion of pork. My message to the administration is this: Do not work out a deal in the House that is not going to get this bill passed in the Senate. Take out the \$8 billion in pork, take out the get-out-of-jail provision, and let us pass this crime bill. If the bill comes over here with a get-out-of-jail provision in it, if it comes over here with only a small across-the-board cut having been made so that that bill will be cutting prisons and cutting police officers instead of cutting all the money out of the spending add-on that would put two social workers on the street for every police officer, we are going to raise the point of order, we are going to sustain the point of order and we are going to offer an amendment to put the money back for police officers and for prisons, and we are going to take it out of social programs.

So my plea to the administration is, "Look, don't do a job twice; do it right the first time and let us go ahead and pass this bill."

HEALTH SECURITY ACT

The Senate continued with the consideration of the bill.

Mr. GRAMM. Madam President, finally, let me turn briefly to the health care issue, make a few remarks, and then I will yield the floor and let my colleagues speak.

In terms of health care, we have had an opportunity now to listen to Bill Clinton. We have listened to him speak about his health care bill for 16 months. He has had an opportunity to tell the American people about that health care bill and what it would do. He has the biggest megaphone in history. The President is a great salesman. The First Lady is a great salesman. Their product has not failed to sell because they did not get a chance to sell it. It has not failed to sell because they were not great salesmen. It has failed to sell because it is a bad product. It has failed to sell because the American people have come to understand that whether it was in its original form or whether it is in the Clinton-Mitchell form or whether it is in the Clinton-Gephardt form, that two things are always the same about these Clinton health care bills.

No. 1, they let the Government make decisions for us in health care and, No. 2, they include huge increases in spending, spending increases that are funded by raising taxes on working people.

The Mitchell bill has at least 18 different taxes in it that are funded by cutting other programs that the taxpayer will then have to subsidize through some other means.

So the bottom line is the President has had an opportunity to be heard, the American people have listened respectfully, but they have come to the conclusion that they do not want this plan.

Second, we have had an opportunity now to listen to Senator MITCHELL; we have had an opportunity to listen to Congressman GEPHARDT. The American people are trying to communicate to Congress. The American people are saying to us, "Stop and listen."

If you go back and open your mail, and I would ask every Member of the Senate to do that, or if you want to go back to your office and just randomly answer your telephone, you are going to find that people in your State are trying desperately to tell you, "Stop listening to President Clinton; stop listening to the voices inside the beltway and start listening to us."

So I have concluded that rather than continuing to flounder around in Washington, DC, that we ought to do something that the administration and the leadership of the House and Senate fear more than anything else: We ought to let Members of Congress go home.

We have all seen in the newspapers around the country where the Democratic leadership has said that if people go home, they are going to end up being beaten up by their constituency and that the health care bill will be dead. I submit to my colleagues that we ought to have second thoughts about passing a health care bill where Members of Congress, once they have passed it, would have to have protection from the people who pay their salary.

I believe that the time has come for us to go back home, listen to the people, come back in September, and see if we can reach a consensus that has a broad bipartisan base of support.

Mr. ROCKEFELLER. Will the Senator yield?

Mr. GRAMM. I will be happy to yield when I get through. I would like to complete my statement because there are a lot of other people waiting to speak.

We now have all kinds of different rump groups around the Capitol that are meeting and trying to come up with some new way to fix one-seventh of the American economy. This whole debate started with 500 people meeting in secret in a gymnasium in Alexandria, VA; people who were so smart that they were going to be able to fix the health care system.

Now we have very small numbers of people meeting and they want to do the whole thing again. I think when we are talking about one-seventh of the American economy, we had better be very

careful about what we are doing. We have a group that calls itself the mainstream coalition. We do not know much about their new proposal, but we know two things about it and both of them suggest to me that their views may be mainstream in Washington, DC, but they are not mainstream in America.

The first proposal is that we let Government tell people what kind of health insurance policy they are allowed to have. I do not think that is what most Americans have in mind. I think most families believe that they are in a better position than we are in Washington, DC, to judge the health insurance needs of their family, and they wonder about our arrogance in trying to tell them what kind of insurance they ought to have.

The second thing that we know about the proposal that is being generated by the so-called mainstream group is that it would tax the health insurance benefits of Americans who have benefits that the Government believes they ought not have.

I remind my colleagues that these are benefits that people, in many cases, have worked their whole lives to get. These are benefits that people are paying for with their own money and with the money of their employers, money that is being paid either to them and they are spending it, or being spent on their behalf, for which they gave up potentially higher wages.

Who gives us the right to say these are benefits they ought not to have and, therefore, we are going to impose a 25 percent tax on those benefits?

I would simply like to say that is not mainstream Texas, and I do not believe that is mainstream America. I think that those proposals are going to be rejected by overwhelming votes.

So we can stay around here, obviously, as long as the majority leader wants to stay. I am sort of struck by the fact that in the middle of the week, we were hearing threats about round-the-clock sessions. And here we are on Friday afternoon, and we do not have another vote. We have been told we were going to be in session on Saturday; now we are not going to be in session on Saturday. We are not going to have a vote before 6 o'clock Monday. I think people believe that there is more than a little chaos here in Washington, DC.

I do not think everybody in Washington has realized it yet, but in the words of the old country and western song, I think we can "turn out the lights, the party's over." We are not going to pass a health care bill before we recess. I think it is increasingly clear that this may be an isolated little island here, but the American people are shouting so loudly for us to stop and listen that I do not believe that we are going to put together a consensus bill until all these bad ideas are rejected.

I think people are not going to give up on this dream they have of the Government taking over and running the health care system until they have gone back to their individual States and listened to the people tell them what they do and do not want.

So obviously, I am happy to stay here and debate this issue as long as we want to debate it, but I personally believe we are wasting our time. I think, in any variant, that the Clinton health care plan is dead and no additional powder on its lifeless, puffed-up face is going to make it attractive to the American people. The sooner we recognize that, the better off we are going to be.

I would simply like to suggest in closing that we get on with the people's business. The most important thing we can do to find a consensus on health care is to go home and listen to the voice of the people who pay our salaries. I submit that if we do that, we are going to hear a fairly uniform message. That message is going to fix what is broken in the system but leave alone the people who have good health insurance they want to keep. I think we can come back in September, and if the President will listen to those same voices and hear that same message, I believe that we can pass a health care plan.

I would yield to the junior Senator from West Virginia if he had a question.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. GRAMM. Madam President, could we have order. I can hardly hear myself talk much less the Senator from West Virginia.

Mr. ROCKEFELLER. Madam President, the Senator from West Virginia has not spoken, so it would not be surprising if the Senator from Texas has not heard me.

I just want to confirm that I really heard what the Senator said, that he referred to the health care bill as "this little matter."

Mr. GRAMM. Little matter? If the Senator heard me call this a little—if I can reclaim my time.

Mr. ROCKEFELLER. Will the Senator let me ask a question?

Mr. GRAMM. OK, go ahead.

Mr. ROCKEFELLER. The Senator indicated that what we should do is go home, that the American people want us to do this next year. I would say to my colleague the American people are highly dissatisfied because what they have seen is a nonstop filibuster on the part of the Republicans of a good-faith effort on the part of the Democrats to pass a health care bill this year. The whole concept of the people and the children of my State, the 4 million uninsured people of the Senator's State saying that they do not care that they are uninsured, they do not care if children do not have health care is absolutely extraordinary to me.

For the Senator to say let us go home, let us do this another time, let us go back and rethink all of this is also extraordinary. We have been at this for 6 years, some of us for longer, and all of us for 2.

I am baffled by the Senator's ability to take this little thing called health care and toss it off until next year. I wonder how he justifies that with 4 million uninsured Texans.

Mr. GRAMM. Madam President, if I can reclaim my time, first of all, I have never referred to the health care issue as a "little matter."

In fact, in the 15 years I have been in Congress, this is just about the most important issue that we have debated. I believe that the health care bill in both variants now before the Senate represents the greatest peril to the health and happiness of the American people that we have faced in my 15 years in Congress. These proposals would expand the power of Government, expand the cost of Government, limit the freedom of people to choose something as fundamental as health care, and expose people to the bankruptcy of the American Government.

So this is no little matter. It is a very big matter. This is a critically important matter. I have always at all times referred to it as that.

Second, I am not talking about waiting until next year. I am simply pointing out the obvious, and the obvious is that the Mitchell bill is dead. I do not see a consensus forming. What I am saying is this. Senator KENNEDY, I see, just came on the floor. He and I go back and forth each month as to who gets the most mail in the Senate. I am always happy when Senator KENNEDY wins that honor because then he has more to answer. When I win the honor, obviously, then I have more to answer.

Normally, I get around 1,200 first class letters a day. Day before yesterday, I got 3,500 letters, the largest I had ever gotten. Yesterday, I got 7,000 letters. My telephones, like your telephones, Mr. President, are ringing off the hooks. What are people saying? What is the voice of America on this issue? The voice of America says stop and listen to us. The voice of America says do not pass a bill that no one understands. Do not have the Government dictate to me and my family about health care.

What I am saying is this. I would like to pass a bill in September, but the only way I believe we are going to reach a consensus is by going back to the people who elected us, listen to their voices, and find a consensus about what they want. I do not believe that the people of West Virginia think differently on this subject than the people of Texas do.

One of the reasons I believe that is because yesterday I listened to the senior Senator from West Virginia [Mr. BYRD], who spoke out and opposed the

Mitchell-Clinton bill and said, far more eloquently than I have, why passing that bill was bad for America and why it was dangerous in terms of potentially bankrupting the country.

So mine is not just one lonely Texas voice that is saying this. This is a growing consensus of our Members. And all I am saying is, are we staying here to keep certain Members isolated from the voters? I do not think we are promoting a consensus. In fact, I believe that we are getting further and further away from a consensus, and what I would like to do, quite frankly, is to have the Congress go home, listen to the people who pay their salaries, and come back in September.

I would like to make insurance portable so you could change jobs without losing it. My guess is everybody here is for that. I would like to make it permanent so that your insurance cannot be canceled if you get sick. I would like to deal with medical liability. Now, I know some people do not want to do that, but I believe the American people do. And I would like to try to make it easier to get and keep good health insurance.

Now, other people want to do more. What I would like to do is to see if we could find a consensus to do all that we agree on, and then if some politicians want to take the issue to the American people in the election—and we are going to have an election in some 80 days—if they want to take it to the American people and say if you want the Government to have a bigger voice in health care, if you think we can afford to spend \$1.1 trillion over the next 8 years on new programs, then vote for me, then they can do that. I personally would be very happy to say, if you do not want Government to exercise more control over your health care and you do not think we can afford another \$1.1 trillion over the next 8 years, maybe you ought not to vote for that other person.

Mr. ROCKEFELLER. Madam President, will the Senator further yield?

Mr. GRAMM. I would be happy to yield.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROCKEFELLER. The Senator from Texas and I have shared a number of forums together, sometimes on television, sometimes elsewhere. I have noticed that the Senator says, as he always does in the most articulate fashion, constantly negative things, about what Democrats and Republicans are together trying to accomplish.

I think it is no wonder then that the most recent CBS poll says 59 percent of Americans say that most lawmakers are not really serious about reform. I wish the Senator to know that there are some of us who really are serious and who care passionately. I care very passionately about the 4 million Texans who are uninsured almost as much

as I care about the 300,000 West Virginians who are uninsured. I cannot imagine the Senator thinks that Americans are going to forgive us if we fail. I would suggest to the Senator that we will vote on Americans' health insurance in October and they will vote on our health insurance in November.

Mr. GRAMM. Madam President, let me interpret that as a question since the rules require it.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. First of all, if it sounds like I am saying negative things, I am simply reflecting what I am hearing from the people who pay my salary, and I reply that we all ought to be listening to them more intensely.

Now, I have spent a lot of time saying positive things about health care. First of all, I have offered not one but two bills to reform the health care system. One bill was comprehensive, and when it became clear to me that we probably were not going to pass comprehensive reform this year, I offered what I called an interim reform proposal. Those bills outline in detail how I thought we could fix the health care system, but there is a fundamental difference between how I approach this problem and how the Senator from West Virginia and the President approach the problem. I believe that we have the greatest health care system in the history of the world, and I am not willing to tear it down and reinvent it in the image of the post office. I want to try to fix the things that are broken, but I do not want to start over in the health care system. I do not believe the American people do either.

In terms of what people are going to say in November when we take a position, we all make judgments about what we think is right and what we think is going to influence the American people in terms of how they view the debate. Quite frankly, I do not know how this will all play out. I think I know one thing, and that is that I do not believe a government-dominated health care system can work. I do not believe—as generous as some of my colleagues are with the taxpayers' money—that we can pay for \$1.1 trillion of new subsidies which, when fully implemented, would cost the average American family between \$3,200 and \$3,800 a year. We cannot afford that.

When my mama gets sick, I want her to talk to a doctor and not some government bureaucrat. I want her to choose the doctor. On that issue, I am not willing to compromise. I have said a lot of positive things, but we are not here debating my bill. We are debating the bill that is supported by the Senator from West Virginia and is supported by the President. And try as I may—and I remember, as I am sure many of you do, sitting on my mother's knee and hearing her say, "If you cannot say something good about

somebody, do not say anything"—I cannot find much good to say about the Mitchell-Clinton bill, but I am not alone. Millions of Americans have reached exactly the same conclusion I have.

In conclusion, let me say that I am again impressed—as I have been on many occasions in the 15 years I have had the privilege to serve in Congress—at how smart the American people are. I believe that the Clinton health proposal, in all of its forms, has failed because the President and many of his supporters have greatly underestimated the ability of the American people to understand what they are trying to do. And as I look at the great peril that we faced a year ago when it looked as if one of these bills was going to become the law of the land, and there were very few people willing to stand as Horatius at the gate and stop it, and when it looked like we were on the losing side of this contest, I am very grateful for the wisdom of the American people in knowing a bad deal when they see it and in letting their voices be heard.

So we may stay here all of next week and the next week. I have not planned a vacation because I am ready to be here debating this legislation. I simply want to predict that, in the end, we are not going to be able to stay here long enough to prevent us from hearing the American people.

The American people do not want this bill. They want us to stop and listen to them. They want us to let them express their views. People are scared to death that we are going to pass this bill and that we are going to reduce their freedom and bankrupt their country. Fortunately, the American people are going to win, and we are not going to do those things. But we would not have won had not the American people figured this issue out. I am very grateful for their wisdom, as I have often been in the past.

I yield the floor.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER (Mr. PRYOR). The Senator from South Dakota is recognized.

Mr. DASCHLE. Mr. President, I agree with much of what the distinguished Senator from Texas said about the American people not wanting a government-controlled system, and not wanting to go to a bureaucrat in lieu of a doctor. But I do not know what that has to do with this bill.

They can characterize this bill as often as they like, as something other than what it is. But let us be sure that everyone understands what it is we are talking about here. What this bill will do, very simply—stripping all the rhetoric aside, is give the same opportunity to the American people that Federal employees and Members of Congress have today.

We have argued for weeks now about whether this bill creates a government-

controlled system or not, and we will probably continue to argue about this point. But I will go back to the majority leader's point. Some people call this a horse, but it is a desk as many times as you may try to call it a horse. We have a private system, and we want the American people to have a private system. And if this legislation passes, that is exactly what they are going to have.

The Senator from Texas said that he wants insurance reform. What he did not say is that those of us in the Congress who have indicated our support for the Mitchell bill believe the American people want more than insurance reform. They want a plan that provides the same security as the one we have. They want to know their policy has no preexisting conditions clauses, that there will be no surprise tactics like those used by some insurance companies. They want the confidence that their insurance is going to be portable and that it is going to be affordable. Ultimately, if we pass this legislation, we can give the American people that kind of assurance.

The Senator from Texas said something else that caught my attention. He said that we can wait to pass this legislation until some magical time when all of this comes together. Maybe the Moon and the stars have to be aligned properly. I do not know what it will take. But I know this: Every minute we wait, 48 more Americans lose their coverage. In the time that the Senator from Texas spoke, we probably lost another 500 people, and that is a conservative estimate. We may have lost 1,000 people. Come to think of it, it may now be 2,000; I did not look at the time. But every minute 48 Americans lose their insurance. I remember reading accounts of past health reform debates, when they spoke about the need to wait in the 1930's, and about the need to wait in the 1940's. We were told we had to wait in the 1960's, 1970's, and 1980's. We have been waiting six decades to pass health reform legislation. Generations of people have been vulnerable in the meantime, and because we have waited they become more cynical, frustrated, concerned, and ultimately, more vulnerable. How much longer must we wait?

For those fortunate enough to have insurance, the cost continues to mount. The Senator from Texas said he is worried about \$1 trillion in new subsidies. I do not know where that figure comes from. But I do know this: We are spending more than \$1 trillion on health insurance today, and if we do nothing, in a few years every single American is going to be paying twice what they are paying now. We are going to go from a \$7,000 average family premium to a \$14,000 premium, in 7 years if we do nothing. That is the cost of waiting. We can wait all we want to. In the meantime, the American people

are going to have to dig deeper and deeper into their pockets, with less and less ability to pull out the change necessary to pay for meaningful insurance.

As we prepare to vote on this amendment, let us be reminded again what it does. It simply strikes a 15-percent administrative charge that is used to ensure that everybody else in the country does not have to pay for the fact that some States may not be in compliance with national standards. How ironic it is that we tell the American people that those who comply must pay additional taxes to cover those who do not comply.

We have heard so many arguments and so many statements on the floor about how we have to end cost shifting. This provision in the bill was simply designed to eliminate cost shifting. We are going to take it out, and we can devise other ways to alleviate the problem of cost shifting. Mr. President, I must tell you, with each one of these nicks, I have become increasingly concerned about the problems we have in making insurance work well.

Other Senators have proposed doing just what Senator MITCHELL does in his bill. The Chafee-Dole bill has a similar requirement. The Nickles-Dole bill has a similar requirement. The Packwood-Nickles bill back in 1984 had a similar requirement. We should all recognize this.

Mr. COATS. Mr. President, I strongly support the amendment offered by Senator HUTCHISON. Under the Mitchell bill, the Secretary of HHS is authorized to terminate a State plan and assume the State's obligations under the act, if the Secretary finds that the State plan substantially jeopardizes the ability of eligible individuals in the State to obtain coverage of the standard benefit package. [Secs. 1412(b)(2) & 1422] Should this Federal takeover occur, section 1423 imposes a 15-percent tax upon all of the State's community rated premiums, to reimburse the Secretary for any administrative or other expenses incurred as a result of establishing and operating the system in that State. The Hutchison amendment would strike section 1423 and the 15-percent takeover tax.

The 15-percent tax is the Mitchell bill's estimate of the annual cost of running a State system. CBO has warned that the States will not be able to handle the burdens of the Mitchell bill. Here's what CBO has to say about the feasibility of States implementing the Mitchell bill.

Most proposals to restructure the health care system incorporate major additional administrative and regulatory functions that new or existing agencies or organizations would have to undertake. Like several other proposals, this one would place significant responsibility on the States for developing and implementing the new system. It is doubtful that all States would be ready to assume their new responsibilities in the timeframe envisioned by the proposal.

Given this gloomy CBO forecast, it seems that the 15-percent takeover tax is inevitable.

If the States are running their health care systems in response to Federal mandates, the Mitchell bill provides no funding support. Yet, if the Federal Government must run the State system, a 15-percent tax is imposed. How much does this add up to in Indiana? In Indiana, the annual aggregate total of health care premiums paid is over \$6 billion. Fifteen percent of \$6 billion means that the Mitchell bill would saddle Hoosiers with \$908 million in order to establish massive new state bureaucracies. Nearly \$200 for every resident in the State, a backbreaking new tax.

Is HHS capable of handling the task of running the States health care systems? Take a look at the Vaccines for Children Program initiated by the Clinton administration and approved by Congress last year. GAO issued a report in July of this year that states:

In conclusion, our review indicates that it is unlikely that [the government] can fully implement the VFC Program by October 1, 1994, and raises questions about whether VFC, when fully implemented, can be expected to substantially raise vaccination rates.

The HHS plan calls for one-third of the country's vaccine supply to be sent to a single distribution point, a General Services warehouse in New Jersey that stores paper clips and flammable paint solvents. The report found the GSA: Way behind in purchase contracts; Unprepared to evaluate whether the system could efficiently process orders from the 70,000 doctors and clinics that will get the stuff; and, Unprepared to adequately test whether its packaging and delivery system would retain vaccine potency—vaccines require very strict temperature controls.

The inability of HHS to design and implement this relatively small and straight-forward task raises doubts in my mind as to the ability of HHS to run the States' health care systems.

The Senator from Texas has brought to our attention that, under the Mitchell bill, the States have unfairly placed in a difficult position—either implement a massive unfunded mandate or, if not, pay a still penalty tax. This is unfair to the State of Indiana and I urge my colleagues to support the Hutchison amendment.

Mr. DASCHLE. Mr. President, If there are no other Senators wishing to speak on this amendment, I think we are ready for a vote.

The PRESIDING OFFICER. Is there further debate on the pending amendment?

If not, the question is on agreeing to the amendment.

The amendment (No. 2571) was agreed to.

Mr. DASCHLE. Mr. President, I move to reconsider the vote.

Mr. DORGAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous order the Senator from Iowa [Mr. HARKIN], was to be recognized.

AMENDMENT NO. 2572

(Purpose: To permit health plans to make flexible service options available under the standard benefit package)

Mr. HARKIN. Mr. President, I have an amendment I send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Iowa [Mr. HARKIN], for himself, Mr. KENNEDY, Mr. DASCHLE, and Mr. REID, proposes an amendment numbered 2572.

Mr. HARKIN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in part 1 of subtitle C of title I, insert the following new section:

SEC. . FLEXIBLE SERVICES OPTION.

(a) EXTRA CONTRACTUAL SERVICES.—A health plan may provide coverage to individuals enrolled under the plan for extra contractual items and services determined appropriate by the plan and the individual (or in appropriate circumstances the parent or legal guardian of the individual).

(b) DISPUTED CLAIMS.—A decision by a health plan to permit or deny the provision of extra contractual services shall not be subject to a benefit determination review under this Act.

(c) DEFINITION.—As used in this section, the term "extra contractual items and services" means, with respect to a health plan, case management services, medical foods, and other appropriate alternatives (either alternative items or services or alternative care settings) to traditional covered items or services that are determined by the health plan to be the most cost effective way to provide appropriate treatment to the enrolled individual.

UNANIMOUS-CONSENT AGREEMENT

Mr. HARKIN. Mr. President, I know the Senator from New Mexico has been waiting a long time to speak. I have some remarks I want to make on this amendment. He assured me he only wanted to speak for 15 minutes.

I ask unanimous consent that the Senator from New Mexico be recognized for 15 minutes, after which the Senator from Iowa be recognized to make an opening statement on the amendment.

Ms. MOSELEY-BRAUN. Mr. President, reserving the right to object, I was in this Chair, as the Senator knows. I really would like to make a statement as to where we are in the process, and the issue generally.

I do not want to interfere with the Senator from New Mexico or the statement of the Senator from Iowa, for

that matter, but I would like to be part of the unanimous-consent request the Senator from Iowa propounds.

Mr. HARKIN. Mr. President, I will modify that to ask unanimous consent that the Senator from New Mexico be recognized for 15 minutes, at the end of which the Senator from Iowa be recognized to make an opening statement on his amendment, at the end of which time the Senator from Illinois be recognized.

Ms. MOSELEY-BRAUN. Thank you very much.

The PRESIDING OFFICER. Is there objection to the unanimous consent request?

Without objection, it is so ordered.

Mr. HARKIN. I thank the Chair.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

HEALTH CARE AND THE DEFICIT

Mr. DOMENICI. Mr. President, I am most appreciative, I say to the Senator, and I will try to do it in less than 15 minutes.

I want to address something that I think is happening around here that is very positive. I am not at all sure we are going to get a bill this year, but something rather significant is happening, if I understand the so-called mainstream group, although I clearly do not know enough about their bill to be supportive, and I may not support it. But they finally joined with others who have been saying for quite some time that, if we pass a bill like the Mitchell bill on the floor of the Senate, we are going to leave unattended a huge budget deficit that the President of the United States reminded us early on in his Presidency, in his first budget submission, that that deficit would start going back up and go through the sky at the turn of the century unless health care reform caused health care costs to come down. And then when they came down, that we used those savings to put on the deficit.

I believe I have been preaching this to the Senate for about 12 months. I think on the floor of the Senate I have at least three times suggested that we are going to saddle our young people, the next and the next and the next generation, with a debt beyond anything that is responsible if we indeed pass a new health care reform package with new entitlements that uses up all of the cost containment savings in Medicare and Medicaid and puts all of that on the new program and none of it on the deficit.

It looks like yesterday a group of Senators, Democrat and Republican, came to the conclusion, and I am paraphrasing, that it was folly to produce a reform package that did not address the deficit along with reform of health care. And to the extent that the mainstream group, led, I assume, by Senators CHAFEE and BREAUX, are arriving at a conclusion that you must put some of the resources that come from

health care savings on the deficit, I commend them.

As a matter of fact, it seems to this Senator that a Nation like ours that was founded on a principle of no taxation without representation ought to stand up and recognize that we are taxing the next and the next and the next generation to pay an ever-increasing deficit and they are not represented.

I turn for just a moment to remind the Senate one more time what is going to happen if we do not apply some of the savings from health care to the deficit, and it is very, very simple.

The President of the United States said in his first budget and vision statement that the budget cuts and taxes that he was proposing was the first installment. The second installment would be to provide this promise right here, and that would account for all of this orange, \$307 billion in cost containment from health care going to the deficit.

Guess what we are doing with the bill on the floor. Every bit of that savings and more is being spent. And I rise to once again remind Senators that it may be important to have health care reform, but there is another important issue and that is to get the deficit at the turn of the century under control so that our children and grandchildren will not be taxed in a secret way because they are going to have to pay for it.

I think both are big problems. I commend those who are trying to solve both of them, even if we take incremental steps to do that.

Having said that, I want to make a confession to the Senate. I have been learning about health care in a rather concerted way for about 8 or 9 months. And every single new proposal that comes forth that is major and supposedly comprehensive, has more problems in it than I ever dreamed or learned about in the past 6 or 8 months. I get more and more confused about the unintended consequences of what we are proposing to do, and I, for myself, have come to the conclusion that not only is the Mitchell plan rampant with unintended consequences, but every other major bill that I have seen is.

Let me just give you one example. Mr. President, everybody is worried about covering 37 million Americans who are uninsured. According to the Congressional Budget Office if the plan pending—which is not going to be passed and everybody knows that—if it were passed there would still be 14 million uninsured, which means we will have taken care of 23 million.

Guess how many Americans we are going to subsidize to get the 23 million? Sixty-five million. Let me repeat that. The Congressional Budget Office says new Americans to be subsidized under the bill pending, 65 million will be entitled to it. How many uninsured are we

going to take care of in this program? Twenty-three million.

So to cover 23 million we are going to subsidize 65 million. You know what that tells me? That tells me we do not know what we are doing. We have not yet figured out how to help the uninsured without covering more than two times as many with vouchers to buy their insurance and I believe we have to make a start in covering those who are poor and uninsured. But even the Congressional Budget Office says there is no assurance over time that of that 65 million, those who are currently insured in whole or in part—and there must be many of them, because just do the subtraction, subtract the 27 million that you are going to get coverage for from the total number you are giving vouchers to, and that is a big number, that is 38 million who have some insurance.

The Congressional Budget Office is saying there is no assurance that you have not produced a plan where many of those who have insurance will go without insurance—will go without insurance—because there will be a way to figure out that it is cheaper to let the Government do it than to have anybody else pay for it. We have to fix that. And you start fixing that, and you find another problem.

So it seems to this Senator, and I believe that nobody can say that I am not interested in doing right and staying here and trying to do a reform package, but I have come to the conclusion that somehow or another the American people got the message right. And this is again no aspersion on anyone, but we do not know what we are doing. And when you are talking about something this important, you ought not do that.

Somebody suggested that there are 4 million young people who are uninsured and we ought to do something about that.

Mr. President, it took decades to get where we are. And, on the one hand, the greatest health care delivery system developed over those decades. Do we need to do something this week, or next week? Can we not take one step and do some reform that we understand? And then decide we are going to do a better job of trying to understand, learn, and put into potential legal, law-written bills things that may really do what we want, not what we do not understand or have unintended consequences.

Mr. DORGAN. Will the Senator yield?

Mr. DOMENICI. I just want to make one comment with reference to my friend from West Virginia, because I do not believe he addressed Senator GRAMM about Republicans filibustering.

I want to say this to my friend. I think we ought to be careful when we throw that kind of language around.

The American people ought to know—and if there is any Senator on the other side of the aisle who wants to stand up and say, "We have a bill that can pass the Senate," then I will stand up and say, "You make a point."

There is no bill that will pass the Senate. How can there be a filibuster when the majority party knows they do not have a bill that can pass the Senate? And there is none. The mainstream does not have one; the Rowland bill has problems. So how can there be a delay of a bill when you cannot pass one if you said, "Let's pass it"? It is really not possible.

So I think we ought to be fair about that. We are learning. The American people are learning.

I think Republicans are acting responsibly. We have not left the floor unattended. We are raising very good points. And I, particularly from my standpoint, must confess that I learned more about the Mitchell bill in the last 5 days, and the more I learn about it, the more confused I get, the more certain I am that consequences that we never dreamed of are going to result if we dare pass it.

Then I look at the mainstream, and it changes every other day. And I give them great credit. They have worked at it.

I have now looked at the Rowland bill, which everybody thinks I am going to introduce tomorrow. We do not know how much it will cost. The CBO has not been able to tell us. We are looking carefully at the unintended consequences. I do not think anybody ought to get carried away, saying one Senator or one group of Senators is delaying health care reform by suggesting that we have not yet come close to a consensus and that there is much to be learned before we should pass a comprehensive package in this body.

I close by once again taking a little bit of credit for the new trend of being worried about the deficit. I introduced, very quietly, Mr. President, the only bill on health care reform—and it is a total, comprehensive one, goes very unnoticed, Senate bill 2096. That bill provides for a portion of the savings going to the deficit. And I am very pleased that after many, many weeks, it has come full circle and people now think we ought to be worried about our children, the burden they will have of having to pay the deficit off in years to come.

Mr. DORGAN. Will the Senator yield?

Mr. DOMENICI. I am pleased to yield to the Senator.

Mr. DORGAN. The Senator began his discussion, and a thoughtful discussion it was, with the background about the Federal deficit. And the Senator has been consistent on that subject for a long while.

I observe that it is interesting, while we talk about health care, while we

talk about the deficit, this week, on Monday, the Federal Reserve Board increased interest rates once again.

I wonder if the Senator knows—I just had the Joint Committee compile for me some information—that, of the five increases in interest rates by the Fed in the last 6 months, done in secret, behind closed doors, with no thoughtful debate, no public discussion, they have added to this Government \$110 billion in deficits; that is, they have added \$110 billion to the cost of servicing the debt.

So, in effect, they have taken back one-fifth of everything we did last year in the \$550 billion plan to try to reduce the debt. And they did it without any public debate, behind closed doors, in secret.

I just say that I would hope one of these days, those of us who care about the deficit and talk about it can have a thoughtful debate about Fed policy, because they are contributing to this deficit, in my judgment, with wrong-headed monetary policies.

I just wanted to raise that point and ask if the Senator understands how much the five Fed increases are costing the Federal Government.

Mr. DOMENICI. Yes, indeed.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 3 minutes remaining.

Mr. DOMENICI. Senator, I appreciate the Senator raising the question.

Frankly, I happen to disagree with the Senator; other than I agree that we are paying more interest on the national debt because interest rates have gone up.

Mr. DORGAN. By over \$100 billion between now and the next 5 years.

Mr. DOMENICI. I have not checked it out.

Mr. DORGAN. \$110 billion in the next 5 years.

Mr. DOMENICI. But, Mr. President, let me suggest that if, in fact, because the Federal Reserve Board worried about inflation, if they have succeeded by attempting to move the cost of interest rates from the Federal Reserve to be neutral with reference to the rest of interest so that we are not in a subsidized position with reference to the Federal Reserve Board, if they have succeeded, and that is their goal, then they might also succeed in extending this recovery, let me just hypothetically say, 2 additional years.

I happen to believe what they are doing is going to extend the recovery and make it last longer. If they were to be successful at that—and they are trying desperately to do that, because we have a cycle of recoveries in growth and then we fall off and have a recession; they want it to last a couple more years—if they have succeeded, then that \$100 billion that is being spoken of will pale in comparison to the positive things that will happen to the Amer-

ican economy to sustain jobs and to grow.

Second, I absolutely believe and will spend any time I have defeating any proposal that takes this power away from the Federal Reserve Board and that makes their discussions be open rather than closed.

Frankly, I do not think we ought to put politics into the interest rates system determined by our Federal Reserve Board Commissioners. I think, over time, that has been the strongest instrument for solid money in the United States, without which we would not be the country that we are.

And, having said that, I want to close my remarks by thanking Senator HARKIN for yielding time to me.

I firmly believe this has been a great educational process for Senators. That may sound strange. Hopefully, the American people have appreciated the debate. It seems to me, from my calls, they, too, are learning and they are moving in the direction of do not take too big a bite, because you do not know exactly how it is going to turn out. Go slow.

I agree with that, and I agree with them.

I yield the floor.

The PRESIDING OFFICER. Under the unanimous-consent agreement, the Senator from Iowa [Mr. HARKIN] is recognized.

Mr. HARKIN. Mr. President, I want to speak about the amendment that I have just proposed, the extra contractual service option of the flexible options plan.

Before I do so, I just wanted to respond to what the Senator from New Mexico said about we do not have a bill or anything around here that can pass.

Well, how do we know? We have not taken any votes on the major provisions in the bill yet. That is supposition on his part.

Senator MITCHELL introduced his bill, if I am not mistaken, over 3½ weeks ago, and we have not had a vote on it. I would like to see us have a vote.

It is not because we have not been ready to vote. We have been ready to vote. The other side has not been ready to vote. So when people say we do not have a bill that can pass around here, that is just supposition on their part. I think we ought to bring up the amendments, let us have a reasonable debate on them, and then let us vote on final passage of a bill, whatever we can come up with in our efforts to design a bill around here. That is the way to do it.

I hope we can get on with the amending process. The procedure under which we are operating this week we have one amendment every day. At that rate we might be finished by some time in the next couple of years.

So when people on the other side say they are not filibustering, there is a filibuster and then there is a filibuster.

There is a filibuster when you talk and talk and talk and then there is a filibuster where you keep adding amendments and adding amendments and adding amendments and slow everything down. So I hope that is not the case on the other side. I hope we can have our amendments and move on with getting this passed.

Having said that, the amendment I have offered gives the plans the option of providing, with the enrollee's consent, items and services that are not listed in the standard benefits package but which the plan determines to be the most cost-effective way to provide appropriate treatment to the enrollee.

For example, under such a provision, Aetna was able to help an Oklahoma boy after a car accident left him with quadriplegia and dependent on a respirator. The boy lived for 4 years at the local children's hospital. Finally, after planning and thinking creatively with the boy's family, Aetna was able to maintain cost-efficient quality care and bring the boy back home. Aetna agreed—listen to this—they agreed to pay for a customized addition to be built on to his mother's mobile home. They purchased specialized equipment, they provided for home nursing care. So the boy was reunited with his family, outside of the hospital, and guess what, the plan was able to save about \$350 a day even after equipment and supplies were purchased and nursing care was arranged.

My amendment would not require plans to offer the benefit. And enrollees are not required to accept it. Moreover, a decision not to offer the benefit is not subject to any appeals, other than those based on discrimination. Because this optional benefit is made available only when it is cost effective to do so, there is no additional cost to the guaranteed benefit package associated with the benefit, and the Budget Committee assessment confirms that.

This amendment allows for win-win situations to take place. When a health plan decides within its discretion to offer a service and a consumer decides within his or her discretion to accept it, this amendment allows for that to occur. The extra contractual services option is currently made available by all Federal health plans open to Federal employees.

It allows for greater flexibility for plans and enrollees and is modeled on a practice by many large insurers today. The idea is that for some enrollees, particularly with high health costs over a particularly long period of time, it is cost effective for plans to pay for a case manager to work with the enrollee or the enrollee's family to determine what combination of items and services would be most cost effective for the enrollee. The case manager is empowered to authorize payments for items and services that fall outside the scope of the package for which the plan

is contractually obligated to provide coverage—hence the name “extra contractual services.”

This amendment will call attention to this beneficial practice so more people will know about it as a possibility. Although it is widely available in the private market today, not all people who might benefit from it are familiar with it.

Second, some have questioned whether these services if offered would be considered part of the standard benefits package or would be part of a supplemental plan under the Mitchell bill. This amendment clarifies that flexible, cost-effective practices may continue as part of any standard benefits package.

Third, extracontractual services have enabled parents of children with disabilities and adults with disabilities to play a larger role in managing their care, working with plans to meet their health needs in the most cost-effective manner. So this amendment is most significant for people with disabilities and people with chronic conditions. Just a few examples.

Julie Beckett, a mother from Iowa who testified this year before the Labor and Human Resources Committee on health reform and disability was able to convince the medical director of Blue Cross-Blue Shield to create an individualized case management program for children in Iowa. Julie's 16-year-old daughter Katie Beckett, who daily requires 12 to 14 hours of continual ventilator support attached to her tracheotomy tube she has had since she was 5 months of age, has been receiving extracontractual services which keep her out of the hospital, let her go to school, at a reduced home care cost.

Blue Cross-Blue Shield of Iowa even did a brochure on what they called individual case management for patients with special long-term needs. In it, they explain the plan case manager can help with family support, home health care programs, respite support, emergency support, and equipment vendors.

I have a lot of different examples here of people who have had these extracontractual services who were brought home, placed in home care, and actually saved the plan money.

In Pennsylvania—I might use just one more example—a 30-year-old mother of two had problems early in her pregnancy. She was admitted to a hospital twice within a week at a total cost of \$3,700. At home she was unable to comply with the doctor's order for total rest because she had to care for her two preschool children, one of whom has a disability and must be carried.

The plan provided benefits for home-maker services at a cost of \$578 a week. The patient was able to avoid hospitalization, remain at home, and get the rest she needed. As a result, she delivered a full-term, healthy baby. The estimated savings were close to \$70,000.

So, these extracontractual services could be used in a whole host of different situations. The plan might decide to provide medical foods not covered under the outpatient prescription drug program which could have a significant impact on the containment of costs in the treatment of AIDS and cancer and other diseases.

In summary, this benefit is a win-win situation. It gives plans the flexibility to go beyond the basic benefits package when it is cost effective to do so. It preserves the right of individuals, the individual enrollees and their families, to refuse any proposed item or service and gives them more control over the situation. It lets them decide what is best for their families. It will give greater visibility to a practice that is increasingly common in the private market today and it will clarify that this is to be a part of the standard benefits package and not a part of a supplemental package.

I also want to take just a few more minutes after explaining the amendment and what it does, to make a few remarks regarding the Mitchell bill's standard benefits package and its impact on people with disabilities in our society. Clearly, the Mitchell bill contains other essential provisions that will benefit the disability community, such as the new home and community-based long-term care program and consumer protections. I will discuss these provisions at another time.

I think people with disabilities are the best measure of whether health reform will meet the needs of American people. If we pass a bill that works for Americans with disabilities, then we know it is going to work for everyone.

Three weeks ago we celebrated the fourth anniversary of the Americans With Disabilities Act, which sets forth our national disability policy. But we will not achieve the ADA's promise of inclusion, empowerment, and independence for people with disabilities without comprehensive health reform that addresses the failings of the current system.

Under the current system, people with disabilities and parents of children with disabilities cannot afford to leave jobs or exit the welfare system because of the preexisting condition exclusions, because of the lack of portability of coverage and benefits, because of work disincentives. The cost of private insurance is often prohibitive because of adverse selection and a failure to spread risk broadly throughout the community. Many people reach lifetime caps on benefits in only a few years and high out-of-pocket expenses have forced people into poverty and into welfare, simply because they are disabled.

Moreover, for those that have insurance, there are often problems with limited coverage. Some plans exclude or significantly limit essential benefits

like durable medical equipment, outpatient rehabilitation services, mental health services, and hearing aids.

The Mitchell bill benefits package represents a package that will ensure access for people with disabilities. It maintains a balance between a sufficient level of description to ensure that the benefits will address the needs of all people, including those with disabilities, and enough discretion for the National Health Benefits Board to make clarifications about the details of what will be included under each category set out in the bill.

The Mitchell bill reflects an understanding that a truly comprehensive package will have preventive value for many individuals. If we spend money on services like outpatient rehabilitation services, hearing aids, prenatal care, and other clinical preventive services, we will avert the need for costly operations and other societal costs associated with unnecessary dependence and unnecessary illnesses.

The Mitchell bill's standard benefits package reflects our desire to invest in promoting and maintaining the health of all Americans, and I am particularly pleased that the Mitchell bill includes coverage for children born with congenital disabilities, prohibiting limitations on coverage. The Mitchell bill further establishes as a goal the maximizing of functional potential of children from an early age. So I strongly support the standard benefits package as contained in the Mitchell bill.

Senators KENNEDY and DASCHLE made some good points on Wednesday about the need for a standard benefits package that bear repeating.

As I see it, there are five essential reasons for a standard benefits package.

First, it provides a floor of basic coverage for working Americans. Without it, we leave consumers subject to fine-print limitations and loopholes that people only learn about after they get sick.

Second, the standard package prevents the kind of cost shifting that goes on in the market today. A standard package spreads costs more evenly.

Third, the standard package promotes consumer choice, ensuring that working Americans will not be arbitrarily limited to whatever coverage their employers choose.

Fourth, the standard package makes it easy for the consumer to compare plans, for plans competing based on price and quality and not on scope of coverage.

Finally, the standard package prevents cherry-picking, so-called, where plans can structure their benefits packages in a way that attracts healthy people and discourages high-risk individuals, like people with disabilities and chronic illnesses, from enrolling.

Mr. President, a standard benefits package must provide a solid foundation, and that is why we need a standard benefits package. I often hear that

we do not need a standards benefits package, the arguments made by the Senator from Texas earlier and others. But I believe that it is an appropriate role for Government to set standards for products that will affect people's health and well-being.

Would those on the other side of the aisle want to do away with the Food and Drug Administration, for example? I think consumers have every right to feel that when they go into a grocery store to buy food they are going to be protected, that the food is safe; or when they buy drugs that they are safe; or when they drive a car that somehow the car is going to be safe, it is going to meet certain requirements of safety. When you buy a child safety seat, you want to know that it is safe and effective.

Why should consumers expect anything less of health insurance? Why should consumers not have every reason to believe the package they get for health insurance will meet their expectation and that it will cover their health and well-being; that it will have a standard set of benefits on which they can rely, rather than finding out later that the fine print left them out?

So, again, the standard benefits package is the foundation.

The opponents argue that a standard package makes people buy insurance for things they do not likely need. We hear that a lot of times. The senior Senator from Texas, and I quote from his statement 2 days ago, said:

Under the Mitchell bill, the Government will tell you what has to be your insurance. If you are a 64-year-old widower, the Government is going to tell you what coverage you will have to carry in your insurance policy. You will have to pay for pregnancy services and for newborn services.

That is what the Senator from Texas said the other day. You hear that and right away you think, "Well, that sounds logical, doesn't it? Why should a 64-year-old have to buy insurance that covers pregnancy-related services and maternal child health care?"

Mr. President, in Social Security today, that 65-year-old widower is probably on Social Security and young people today pay into Social Security to help make sure that our elderly are not forced into poverty and forced into welfare. We accept that, because it is good for society. So why should a 65-year-old not buy that kind of insurance that may help out our young people? The fact is, we spread the risk throughout society.

To say that you should only buy insurance for things that you need is very shortsighted. You do not know what you need. Like Forrest Gump's mother told him, "Life is like a box of chocolates; you never know what you're gonna get."

We cannot predict when one of our family members may get cancer, leukemia, have a heart attack, or sustain a

head injury. It can happen to anyone. So what is the purpose of insurance? What do we mean by health security? What it means is we want to know that, whatever happens, we are going to be covered—meaningful coverage, guaranteed protection, security for the unexpected. That is what insurance is all about.

When we purchase health insurance, we should get a standard package of benefits that will cover the range of needs we may have although we do not expect to need them. We might even use another example.

We could say how about a young couple, just got married. He is a football player, she is an Olympic swimmer. They are in great health. They get married and decide to go to graduate school. And so they look at the package of health insurance they want to get. No. 1, they are not going to have any children right away, so "we don't need pregnancy-related services which costs a lot; we won't take that. We won't take the package that says it covers chronic conditions because, obviously, we are very healthy and we don't need that kind of coverage."

So they carve it all out and they get a minimal health benefits package which does not cost them very much, and they think they are covered.

Lo and behold, the wife gets pregnant. She has a difficult pregnancy. They have a child that is born with a disability, spina bifida, and they do not have health insurance coverage. Who pays for it?

Well, we are all going to wind up paying for it because we are not going to say to that young baby, "Go out and die." So we are going to pay for it, and we are going to pay for it in the least cost-effective manner. And that young couple who thought they were getting away with something has put their entire future in jeopardy. And, when they can't pay their bills, the burden falls on the rest of society.

So that is why we need a standard benefits package and why we spread risk throughout society.

I would say to any 64-year-old, yes, part of your health benefits package ought to include something for young people because young people are helping to provide for you in your old age through Social Security and through Medicare Part B.

So we need this standard package to include preventive services and to make sure that it is comprehensive. We ought to make sure we have it because it provides people more choices and not less.

That is another thing we hear a lot. People on the other side say, "We want to provide choices." A standard benefits package provides more choices, because without a standard package, an employer can go out and pick any health plan he wants and offer it to his employees. The employees are stuck

with whatever the employer offers, even if it does not come close to meeting their needs. That is no choice.

Take the example of outpatient rehabilitation services. Under the Mitchell bill, every plan will offer it as a part of the standard benefits package. It is part of the foundation you can count on. You may not think you will ever need it.

Without a standard benefits package like the one in the Mitchell bill, if you have a child with a congenital disability who needs outpatient rehab services, you will just have to roll the dice and hope that your plan covers it.

In my capacity as chairman of the Subcommittee on Disability Policy, I have learned how critical this benefit can be, particularly for children born with congenital disabilities.

We had a hearing in February where a mother testified about the difference that occupational therapy, speech therapy, and physical therapy had made in her son's life, and contrasted this experience with that of another boy with the same disability who did not receive the therapy.

The first boy, born with cerebral palsy and diagnosed at 9 months, received physical and occupational therapy to relax his tight muscles. He received speech therapy to teach him how to eat and help him find a way to communicate. As a result of this therapy, he did not develop contractions or severe shortening of his muscles, and avoided dislocations. He made steady progress for 7 years, and finally he was able to take his first steps. Last fall, he walked down the aisle as a ring bearer at his aunt's wedding, a tremendous accomplishment for him. He continues to make progress and has the potential to become a functioning, productive adult who can contribute to his own support. That is boy No. 1.

The second boy, also born with cerebral palsy, never received the needed therapy services. They were not covered. His arms are contracted; his fingers are deformed; he cannot bend his hips to sit. They are twisted as a result of a dislocation that was corrected by surgery and a metal plate. His head is nearly permanently thrown back. He has many expensive surgeries ahead of him, not to improve his condition so much as to slow down the effects of these contractions. Eventually, his mother may find it necessary to put him in an institution. So you ask, what kind of choice did that mother have?

Imagine being a new parent of an infant with cerebral palsy and sitting down with the doctor for the first time. The doctor says to you, "Your daughter has cerebral palsy. If she gets enough occupational therapy and physical therapy and speech therapy from this point on she can do pretty well. Unfortunately, your insurance does not cover any of this." Weekly therapy is very expensive. How are you going to pay for it?

Well, they will not pay for it, and later on that child would be unnecessarily dependent, and we will pay more and more money later on.

So if we allow plans that do not cover, for example, outpatient rehabilitation for children with congenital disabilities, we are going to force families who are struggling to care for their children at home to go it alone and, sure enough, later on that child more than likely will wind up needing more intensive care that will cost more for everyone.

Well, that is not right. It is not right for that family, and it is not right for the rest of the people of this country. It is not right for that child born with cerebral palsy. It is not the American way of doing things.

If we just provide a list of categories to be covered as many have suggested, some policies will cover outpatient rehab and some will not. And people will not realize the importance of having this benefit until they need it, and then it will be too late.

Hearing aids for children is another good example. Under the Mitchell bill, they're part of the foundation. If your child needs hearing aids during the crucial window of opportunity for language development, you're covered. Without a standard package, you're on your own. This makes no sense.

The critical years in which speech and language develop are 0 to 6. By age 5, the child with normal hearing understands 5,000 to 25,000 words. For a child who needs hearing aids, and does not have them, this speech and language acquisition window of opportunity is lost. Having failed to make this investment, we all pay down the road in special education, compensatory education, and other costs associated with educating the child and preparing him for employment.

Mr. President, I take the time to talk about these examples, and I will talk about them more next week and however long we are on the health care reform bill because, more and more, we are hearing that we do not need a standard benefits package; it does not need to be delineated and clarified.

I use these examples to point out why it is necessary and why we have to have a standard benefits package, because if we do not, too many people who cannot or will not read the fine print are going to find out too late that their choices are limited. They may have one choice and one choice only, that is, either to pay it out of pocket, if they are rich enough to afford it, or, if they are not, then not get the needed services, which are going to create higher costs later on. Of course, the third option will be to spend all of their lifetime assets and go on welfare and then they will be able to get the coverage they need.

So, Mr. President, those are the ramifications of the amendment that I

offer, to ensure that it is part of the standard benefits package that an enrollee and a plan concurring together can go outside the plan for extra contractual services if the enrollee and the enrollee's family feels that is the best thing to do and if it is cost effective.

However, that will mean nothing and this amendment will mean nothing if we do not have a standard benefits package. If we do not have a standard benefits package, then, Mr. President, people with disabilities in this country will continue to be discriminated against and they will not be a part of any health care reform package that passes this body.

I understand we are just going to have a voice vote on this amendment. I am glad to hear that the other side and others have agreed to accept this. But again I point out that as much support as this amendment seems to have on both sides of the aisle, it will mean nothing if we do not have a standard benefits package along the lines of the Mitchell plan. So I will be coming back to this theme time and time again in the future.

I appreciate the indulgence of my colleagues, but here is an issue I have been waiting all week to talk about.

Mr. President, I would now yield the floor.

The PRESIDING OFFICER. Under the previous unanimous-consent agreement, the Chair recognizes the Senator from Illinois [Ms. MOSELEY-BRAUN].

Ms. MOSELEY-BRAUN. I thank the Chair. I would like to begin by congratulating my colleague, the Senator from Iowa, for this amendment and congratulating the Senator on work on behalf of people with disabilities over time. This amendment affects a number of important goals allowing people choice, allowing people access to the system, and at the same time affecting what probably will be some real cost containment in the way the system operates. I commend the Senator from Iowa for his work in this area.

Mr. SARBANES. Will the Senator yield to me just briefly?

Ms. MOSELEY-BRAUN. Certainly.

Mr. SARBANES. I would like to join the Senator from Illinois in commending very strongly the able Senator from Iowa for this amendment and for a very sensitive statement about the need for the amendment.

I really say to the American people, one has to think about it with the attitude of, there but for the grace of God go I. Most people assume that this will not happen to them, and they need to understand that it may. It is all chance. It is fortuitous. But if you are a family that has a cerebral palsy child or one of these other disability problems and the whole burden of that comes down upon you, there is a tremendous psychological burden. But the financial burden at least ought to be borne in a way that the costs of that

are spread through the society on the basis of an insurance principle which is what the Senator is, in effect, seeking to guarantee. People, as they think about it, have to think to themselves, well, it could happen to me, and therefore we ought to provide for it so whoever it happens to is not caught completely exposed and has to bear all of the burden of this individually.

I thank the Senator for his contribution.

Mr. HARKIN. I thank the Senator.

Mr. SARBANES. I thank the Senator for yielding.

Ms. MOSELEY-BRAUN. Certainly. The point of the Senator from Maryland is very well taken. We are, indeed, all in this together, and that is why this debate is so very important.

Mr. President, in Illinois where I live, in Chicago, there is a fellow by the name of Mike Royko, and we consider him to the sage of Chicago politics. He was written facetiously, I might add, on occasion that the motto for the city of Chicago, which is presently and has been since the turn of the century "urbs in horto"—"urbs in horto" means "city in a garden," and I would commend to anybody listening, Chicago is a very beautiful city, particularly in the spring and summertime and lives up to the name "city in a garden." But Mike Royko has suggested that the term "urbs in horto" ought to be changed to a more explicit "ubi est mea," which translates into "where is mine?" He thinks that is really the driving force behind decisionmaking and policymaking. And policy and "ubi est mea," "where is mine," has a lot to say about what goes on and how decisions get made.

Mr. President, I might suggest that it may well be the case in this current debate about health care reform that "ubi est mea" is playing entirely too large a role, that the drumbeat of the public interest in this, the interest that the Senator from Maryland talked about, is being drowned out in the cacophony of special interests.

The message that created a groundswell of support for the President's efforts to reform health care is in danger frankly of being outshouted by the special interests and very often, Mr. President, they are thinly disguised but they are special interests notwithstanding.

I would ask anybody who listens to the debate ask yourself, Who is paying for all these expensive ads on the television, in the newspapers that are saying we should just stop trying to reform this health care system?

Right now, Mr. President, the American people are confused by the mixed messages and the conflicting signals and the images and the debate back and forth, and this certainly is a big enough issue that lends itself to what I have previously called the thousand points of fright that are being put out

into the public debate, the thousand points of fright representing, Mr. President, the negative messages that punch all the buttons of fear that are out there. You hear people railing about—and I happened to be in the Chamber listening to an eloquent speech. The speeches sometimes can hit all the right buttons and all the right fears, and they are very slick and they are very smart, and they are thought out well in advance. But the fact is those negative messages are punching those fears of *ubi est mea*. I think it is a disguised way of speaking for the special interests, and not being as concerned as the Senator from Iowa, the Senator from Maryland, and others who worked on this issue about what does this mean for all of us as Americans. Those buttons appear; they are going to take away your freedom—a thousand points of fright—they are going to have Government control; big Government is going to take this over; it is going to mean higher taxes.

Mr. President, I say—and I think a number of people on this floor are willing to say—that the only way to combat fear is to stand up to it and to talk about it and to expose it and to continue to punch away so that the essential messages and the truth win out. For that reason, I am especially grateful for those people who have led the fight and the debate in regard to health care reform.

I congratulate the Senator from Massachusetts for his hard work and dedication and for the hours he has spent on the floor combating those thousands points of fright. The Senator from South Dakota has done so much work here, as has Senator ROCKEFELLER from West Virginia and Senator MOYNIHAN from New York, and Senator MITCHELL for his bill that we are talking about at the present time. These are the people who have weighed in to take on the button pushers and to take on the thousand points of fright and say there is more to this debate than *ubi est mea*—where is mine—and this goes to the future of our country.

The American people sent us the right message at the outset, which is to control costs and provide access to health care. That is a message that I think should guide our work now. The people, as far as I can determine, are confused as to what they want to have done. The real source of confusion is here in Washington as to how to do it. Going back to the basic principles, I believe that means we cannot accept minor tinkering with what we have now that maintains the status quo, protects special interests; nor can we rush to judgment and implement a poorly thought out change that reduces access or increases our deficit.

Many people say comprehensive reform will produce scenarios that one cannot predict, and that there may be unintended consequences of the bill we

are considering. Let us take a moment and look at the present system, look at what we have now, the status quo, in terms of its effect not just on our country, but on everybody. Everybody who has spoken here admits that national health care costs have grown at a dizzying pace.

In 1960, the United States spent \$27.2 billion on health care. By 1980, that figure had increased almost tenfold, to \$250 billion. In 1990, we spent \$675 billion, and the Congressional Budget Office estimates that in the year 2003—which sounds like a long way off, but really is just around the corner—unless something happens to change the trend we are on now, we will spend \$2 trillion. Looking at the figures another way, in 1990, we devoted 12.2 percent of our total economic resources to health care. By 1993, that figure had increased to 14.6 percent.

Again, by the year 2003, unless the current trends change, health care costs will consume fully 20 percent of our national economic resources. Government health care spending contributes a large chunk of those expenditures. Between 1981 and 1993, for Medicare and Medicaid, the Government programs, spending increased by 113 percent. Health care spending was 16 percent of our Federal budget in 1980. It was 27 percent last year. By 1998, health care costs alone will account for some 35 percent of the Federal budget.

Mr. President, as I mentioned in a previous discussion, I serve on the bipartisan Commission on Entitlements and Tax Reform. The findings of that Commission state:

Federal spending on Medicare and Medicaid is projected to triple as a percentage of the economy by 2030. Federal health care spending is projected to increase from 3.3 percent of the economy today to 11 percent of the economy by that time.

The private sector, private business sector, has also been hard hit by rising health care costs. Fewer businesses are able to afford comprehensive health care coverage for their employees. An article yesterday in the Chicago Tribune noted that more than 3.5 million children lost health care insurance coverage under their parents' employer-paid plan from 1987 to 1992. The average cost of providing health insurance coverage for employers increased more than 100 percent between 1984 and 1992. The average cost per employee was about \$1,600 in 1984, and it rose to almost \$4,000 per employee by 1992. Between 1987 and 1992, the average premium for health benefits for a single employee rose by 108 percent, or on average, 16 percent per year.

In 1991, health insurance premiums were about 10.7 percent of business payroll. In the year 2000, that figure is expected to increase to 22.9 percent of payroll. And the cost growth has been even worse for small businesses. Their premiums have increased by as much

as 50 percent a year. Small businesses already pay 35 to 50 percent more than large businesses for the same coverage and that, of course, puts real pressure on what should be one of the most vital parts of our economy.

Small businesses also bear the brunt of the cost shifting that is in this current "Rube Goldberg" of a nonsystem that we have. If you think about it, Mr. President, everybody in this country gets health care. If somebody gets sick or falls out in the middle of the street, whether they have insurance or not, they are going to get taken care of. The question becomes: How does that person get paid for? Well, the answers are too clear to everybody who is paying attention or knows somebody, and I think there is not a person around who does not know somebody who has not had a health care crisis.

So health care costs continue to be the single largest reason for personal bankruptcies in this country, and if there is no access left, the cost is shifted to somebody else. As a result, and I am talking specifically about small business, small businesses now pay 33 percent more for insurance just because those who are providing insurance for their people are paying for those who are not providing insurance for their people.

Mr. President, again, I do not want to start off painting a horror story. This is reality. This is not catch phrases and code words. This is what is. The group that is suffering the most from the inefficiencies of the current nonsystem are average working Americans, the families and the workers, the constituents we hear from every day. Health care is just plain unaffordable for millions of Americans, and it is only going to get worse if we do not do our job to reform the system.

Right now, per capita health care costs, based on current trends, is estimated to double between 1993 and the year 2003. We spent roughly \$3,500 for every man, woman, and child in this country on health care last year. By the year 2003, the figure will be \$7,000 for every man, woman, and child in this country for health care.

These rapid cost increases are coming at a particularly bad time for working Americans. Over the past 20 years, worker wages, in real terms, have actually fallen, while the health care costs were increasing at 10 to 15 percent per year. If health care inflation continues as projected, workers stand to lose another \$600 per year in real wages by the year 2000. Americans who have employer-provided insurance coverage find themselves paying for a greater and greater percentage of that coverage out of their pockets.

In 1988, for example, workers paid an average of \$48 a month, or roughly 24 percent of the total average premium. By 1991, however, just 3 years later, the average employee contribution had

more than doubled, to \$98 per month, or 28 percent of the total average premium. Mr. President, I say that trend is continuing unabated.

(Mrs. MURRAY assumed the chair.)

Ms. MOSELEY-BRAUN. Madam President, in 1965 Americans with average incomes had to work—and I found this to be an interesting statistic and I wanted to give these figures again just to paint the picture of what we have now to deal with. In 1965 Americans with average incomes had to work about 3.3 weeks—I do not know how they figured out .3, whether 2 days or 3 days—3.3 weeks to pay for health care. It took about 6.6 percent of their total earnings. By 1990 workers had to work 5.5 weeks or 5½ weeks or pay 10 percent of their earnings just to pay for health care costs. And by the year 2003, again if current trends continue, they will be working 10 weeks to pay for health care and pay 20 percent of their total earnings for health care services.

Madam President, the net result of these cost trends are that people are losing coverage and losing choice. In 1988, 9 out of 10 employers offered health care plans that let their employees choose any doctor or any provider of services that they wanted. By 1993, only 6 out of 10 employers offered that option.

All of these cost trends together have a major impact on the vitality of our country and the viability of our future economy, and therein lies the real rub in all of this. The impact of rising health care costs is not just felt by working people or even their employers or the Government. It hurts our economy. It hurts our international competitiveness. It hurts our economic future.

I want to talk about where we are in this global economy and how this issue threatens our position in the world.

In 1991, Madam President, per capita income in the United States was \$22,240; in Sweden it was \$25,110; in Canada it was \$20,400; and in France it was \$20,380. Yet the United States' per capita health spending was over a third higher than in France or in Canada and over \$400 per person higher than in Sweden.

That kind of cost differential has a real impact on our competitiveness in this new global economy. Rising health care costs in the United States also contribute to a falling national savings rate. As the bipartisan commission, which I mentioned, has found, since the 1960's private savings have fallen from more than 8 percent to about 5 percent of our economy, and the supply of savings available for private investment has fallen to about 2 percent today—2 percent, Madam President. What that means is that that is going to restrict, and the bipartisan commission found that this will restrict, our ability to be productive, will restrict our productivity and our growth as an economy.

Clearly, Madam President, cost containment is in order. Had we gotten some rationality in the system in the past we could have realized significant savings already.

For example, if health care costs had been kept under control in the last 12 years, that is, growing no faster than the economy was growing, the Federal Government alone would have saved some \$79 billion in 1992 and would have saved a total of \$391 billion over that 12-year period.

And if health care costs had been kept under control in the last 12 years, personal wages for American workers would not have declined—would not have declined—and the average working family, and I want to underscore this, the average working family would have saved \$12,000.

Now, I think that paints a picture again, not painting a dismal picture to frighten anybody because these are realities. People know this already. This is not news to anybody. And quite frankly, to go out and suggest to people that there is no crisis and we can just go home, go on vacation, have a good time, and come back when we get good and ready borders, in my opinion, on the irresponsible.

Madam President, if we do nothing—if we do nothing—we will effectively rob our children and our children's children of their future, and if we do nothing there will be no money around for us to spend in terms of discretionary spending. There will be no money around to spend on education, to fight crime, for community infrastructure, or for building the industries of the future.

After all, Madam President, this debate is not a new one. I mean, this has been with us. People have seen the handwriting on the wall with this debate for a long time. In the seventies, the eighties, since Nixon was in office, we tried the regulatory approach. We have tried competitive market-based approaches, and, quite frankly, none of those approaches have worked very well. Certainly they have not fixed the problem. That is why it is so important that we do what this Congress is trying to do.

Madam President, I have my own bias, and I say it for the world, and I do not think any colleagues are surprised by it. I have supported and continue to support the single-payer system. Quite frankly, it is like the old song "I'm looking over a four-leaf clover that I overlooked before."

The fact of the matter is the single-payer system is the simplest and saves the most money and to me that makes sense in terms of achieving the goals we are setting out to achieve.

I would mention, by the way, that yesterday morning—in fact, Senator SIMON and I have a town meeting every Thursday morning for people from Illinois who just want to come to the Cap-

itol and talk about issues. And at the town meeting we had a lady who described herself as an American who lived in Canada for 30 years. She said: "I do not understand what all this confusion is about. I have been in Canada for 30 years, and we think our health system is great. So, what is the problem?"

Well, it would have taken too many words, frankly, to explain to her what the problem was at the time, but I will submit to you that the single-payer system does make the most sense, and for the record, just again to combat some of the drumbeat that is out there, single payer is not synonymous with Government run. Health services would remain largely private, as they are today. All Americans would be covered. The major change would be that the financing system would be much simpler and much more efficient. There would be financing co-op, if you will, and you could choose whatever health plan option meets your needs, but instead of your employer or insurance company footing the bill, the co-op would pay it.

In terms of savings, the single-payer system beats every other plan that has been scored to date by the CBO. In fact, it is estimated that the single-payer system would achieve \$300 billion in savings over 5 years.

So, I just add that to the debate. It has kind of been lost in the context of this debate. I point out that there is a little vestige of it cropping up. You heard a lot of conversation on this floor about the Federal Employees Health Benefit Plan, and, quite frankly, if you think about it, if you took the FEHBP and expanded it to everyone, take what we have here in Congress now, what we Federal employees have in Congress now and expand it to every American, what you have would be single payer.

So, I just put that out there for purposes of discussion, because I really would like to talk about what we have before us, which is Senator MITCHELL's plan, and the plans that have been filed as legislative initiatives with this Congress.

Again, I applaud and congratulate those who have worked to get us this far because, quite frankly, in my opinion, Senator MITCHELL has done a Solomonesque job in reconciling all the competing interests and forces and people who have different views about how we should approach this issue.

Madam President, the only way, I think, to make positive change in our system and ease the burden of the current health care costs is to recognize and examine the realities of our present system.

First, I think people need to have information about what health care costs. Most consumers make health care decisions without regard to cost because, quite frankly, the majority of health care bills are paid by third-

party payers. I think we have all gone through the situation in which you get back the bill from your insurance company and you see the bottom line and you are shocked enough with the part you have to pay, but when you see how much the insurance company has to pay, you go "I stuck that bullet" because the health care costs get paid by a third-party payer. That contributes to the rising cost and to the dynamics of cost in this system.

Second, Madam President, the incentives are all in the wrong places. The more care provided, the more money providers make, and that, I think, leads to greater emphasis on inpatient and high-tech care than for primary and preventive and outpatient care, and I think we are taking a look at that issue as part of this debate.

Third, requiring all persons to have health coverage either through the Clinton plan or the employer mandate or the CHAFEE plan or the individual mandate, frankly, neither one of those are radical ideas. We already have mandates in this country. And, again, this gets to other funny hot buttons pushed around "under Government control," "this is mandate," "this is going to take away your freedom." The fact of the matter is we have mandates already. A requirement of this type is true already for automobile insurance and, frankly, to a lesser extent for life insurance.

Everybody who has a car is required to have automobile insurance, or to demonstrate financial responsibility.

We do not let low-risk drivers, people who do not have accidents, we do not let them go without insurance simply because they are low-risk drivers. Neither is it good public policy to have the young people go without health insurance simply because they are at a lower risk than middle-aged or older Americans.

That is the point that the Senator from Iowa and the Senator from Maryland talked about a little bit.

We all have to get into this pond, because, in the final analysis, we are all in this together and risk-sharing means that everybody needs to participate. You do not buy insurance, life insurance or health insurance, right when you need it or after you get sick. You buy it in advance, and you allow that process to allow everyone access, to get the money necessary to fund the system, to have a successful system.

As a people, we have to sometimes look beyond our individual needs. I believe the Mitchell bill and this approach attempts to do that.

There are cost control measures in this bill. There is a 25 percent assessment on high-cost plans and a fail-safe mechanism if outlays outpace revenue.

And, in my opinion, the plan of the Senator from Kansas, to a lesser extent, includes cost containment measures, but it is there as well. So every-

body recognizes that you have to have a cost containment mechanism.

The Mitchell plan I supported, and I asked to sponsor. I asked the Senator from South Dakota to add me as a co-sponsor earlier on. I applaud the effort. I have not set my pace in favor of single payer. I think this compromise still makes sense because, it does have cost containment and because we are taking a look at the FEHBP Program. If we are unable to agree on cost containment measures for the entire system, what about infusing some cost control elements in our own FEHBP Program? I think we can do this and that will give us the cost containment. I think that we have an excellent example in the FEHBP participants.

I would also like to see that everybody has information on the FEHBP Program in terms of the range of programs and the employer and employee contributions. Private sector employers should share the same information about their own plans that are there for their employees so they could compare their system with the Federal system.

I do not see what is wrong with that. Let us share the information. If the Federal system is cost efficient and is doing a good job at keeping the cost down and providing access and coverage, then I think the private sector can begin to share information with their workers so that people can make an informed choice.

Another idea, Madam President, builds on the Mitchell Cost Containment Commission. One of the duties of the Commission is to monitor and respond to trends in health care coverage and changes in per capita premiums and other indicators of health care inflation. I would like to propose we strengthen that section, in order for the Commission to really do the job there, to have the insurance companies give us information on expenditures that justifies the rate changes that they may undertake.

Madam President, I would submit, in closing, because there is a lot of this debate to go on, and it will be going on when we come back here, but I am reminded of a line out of "Alice In Wonderland," when she runs into a Cheshire cat in the middle of the forest and she asks the Cheshire cat, "Which way should I go?" And the cat's response to her is, "That depends on where you want to get to."

I submit that there are some principles, some goals that we want to get to and that none of those goals should be left out of this debate. We need to have cost containment, we need to have universal coverage, we need to have freedom of choice of providers. Americans want to be able to choose their hospital, their provider, or what hospital they go to, and we ought to maintain the quality of care.

We do have the best quality care in the world, if you can afford it, and if you can access it.

Now, the reason this debate is so complicated, Madam President, is because, at first blush those goals, those cornerstones, may seem to be in conflict. How do you have universal coverage and cost containment?

Well, I submit to you, Madam President, the best way to have cost containment is to have universal coverage, because in that way everybody is in the pond and you get rid of the cost shifting and you straighten out some of the irrationalities of the present system. How do you have freedom of choice and maintain the quality of care? I think that you do, because those things are not in conflict, because in that way you allow people to make informed choices to keep the quality of care up, to get rid of the not-so-good plans, the plans that cost too much money or do not provide good care; that people can make the judgments that will drive the market, if you will, to keep the quality of care the best in the world.

I think, Madam President, that we have these goals to achieve and that the significant effort that is being undertaken now by the Congress represents the fact that this is a huge part of our economy. There is an awful lot of money involved. There is an awful lot at stake. And there are an awful lot of conflicting special interests that are involved here.

But I believe that, with the effort and of the energy that is being put into this debate, we have a compelling obligation to try to reform this nonsystem, to take it piece by piece and step by step, to go through the long hours, such as Senator KENNEDY has put in here, to go through this debate piece by piece, because the truth will come out. And, in the final analysis, if we call the American people to a higher purpose, which is to say we are in this together and we will all benefit and, no, you will not pay more money, this is in the interest of all of us doing better in future, not worse, this is in behalf of all of us providing a future for our children, not taking away from them, if we call the American people to a higher purpose and point out why this debate makes so much sense, I believe that we will be able to put a ribbon around the energy in this Chamber and achieve real, viable, doable health care reform that meets the expectations of our people and meets the requirements and the demands of our country as a whole.

Again, I very much look forward to continuing to participate in this debate with my colleagues, and trust that we can get this job done in this session of the Congress.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Madam President, first of all, I want to commend my

good friend, the Senator from Illinois, CAROL MOSELEY-BRAUN, for her excellent statement and comments about where we are in terms of the health care debate and about her analysis of the Mitchell proposal and what has been really at risk in not moving ahead at this present time, and her superb analysis of the legislation itself.

I think over the period of the past days we have heard a number of statements and comments. I think, for most of us who have been here listening to the comments, too many of them have been sort of the canned talks and speeches about the general clichés about what the American people are really for. They have almost tragically become clichés, even in the limited debate that we have had here.

To have the clear, insightful, perceptive analysis about where we are in real terms and in human terms that she has given to us this afternoon, as she has on other occasions, and also her sense of urgency about action now, I think is very compelling. I once again thank her for her constancy.

It is late in the afternoon. It is 5:20 on a Friday afternoon. She is at her post ready to respond and I am sure prepared to vote on these measures, as are, I know, the distinguished Senator from Washington, Senator MURRAY, Senator SARBANES, and others who have been here.

I saw Senator DOLE, as well. I do not know whether he is as prepared to vote, but nonetheless our colleagues are here because they are deeply concerned. I thank her for her excellent words.

Madam President, I will just speak briefly about this amendment. I see others here who want to comment on this measure, as well. I know they have important matters to speak about.

But I do want to say that, as we reach a late Friday afternoon, I, for one, having been here during the greatest part of the time with the debate and discussion, both in terms of the presentations of our colleagues and their comments, as well as the debate on our amendments, one theme constantly is evident, and that is the sense of urgency for action.

I know that there are those that speak, and speak with reason, about the importance of putting action off until another year, another time, another 2 years, until we have more careful consideration.

But I must say, the sense of urgency for action I find enormously compelling. As I have stated at other times, this has been a measure that has been before the Congress in one form or another since Teddy Roosevelt's time at the early part of this century. It was here with Franklin Roosevelt in the mid-1930's, again with Harry Truman, and then with President Kennedy and President Johnson—as they had the debate on Medicare. President Nixon as

well. It has not been just a matter that has been reserved to one party or another. At different times, different administrations have advanced their approaches about how to deal with these measures, but by and large, health care reform has been a matter of urgency for all Americans and for both political parties.

As has been stated here on the floor, when we are at our best we will come together. I know that certainly is the hope of Senator MITCHELL. I know it is the hope of the President and the First Lady.

As we conclude this week I hope we will look forward with anticipation to the most recent activities and actions. One has been the development of a series of proposals from what has been described as the mainstream group. I, for one, welcome their involvement. I think it is, at this point in the whole debate and discussion, a positive development that there are our colleagues who are representative of both sides of the aisle who have reviewed these various policy considerations and have made them available to the majority leader and to the minority leader, or at least are doing so as we speak at this time. I know they will be sharing those with the public in the very near period of time. I for one am very hopeful they will be constructive and positive. There is every reason to believe they would be, and that we can move on from those recommendations and suggestions.

I am sure there will be some with which I would agree. There will be a number with which I will differ. But that is the nature of the legislative process. What we are interested in doing is finding common ground, finding areas where there can be agreement, and then permitting the Senate itself to make a judgment by votes, actually, about whether certain measures would be in or outside the proposal.

So, for those who have suggested that this debate and discussion has moved beyond the reality, I for one could not differ more. As one who has been here, honored to represent my State for a number of years, and has been involved in a number of the important debates on matters which affect our people—whether it has been on the issues of ending a war or trying to eliminate the barriers of discrimination of race or religion or ethnicity, or as this amendment that we are considering now is related to, disability—I have seen similar times in the debates and discussion and legislative process. So that, as we end this week I, frankly, believe it is on a more hopeful note than many of the days we have had before. So just with those preliminary words, I think this is an important discussion and a important debate.

I want to say just a brief word about the matter before us, introduced by our friend and colleague, the Senator from

Iowa [Mr. HARKIN], who has been such a leader in this body and nationally on the cause of disability rights. He was a real leader, following the extraordinary leadership of a Republican Senator, Lowell Weicker, whose record in this body was distinguished for many different matters. I remember clearly his battles in terms of preserving the Constitution and the court stripping debates and other constitutional issues; also at a very early period of time standing up for individuals who were HIV infected, where there were only a handful of Senators willing to take on those health implications of HIV to try to address that issue on the basis of science and health policy rather than ideology and rhetoric.

The work he did in advancing the cause of the disability movement in our country I think was an extraordinary effort. And Senator HARKIN has not only followed, but has really added an extraordinary chapter to that whole movement. It is only appropriate that he has challenged the Senate this afternoon, and the American people, to move forward with this amendment which makes a great deal of sense in terms of treating Americans who have disabilities with the kinds of flexible services which are included in the amendment. It will be more humane and also will be more cost effective. I, for one, am proud to have a chance to cosponsor that amendment and urge its adoption.

As we reach the end of this week, it is interesting to note the amendments which have been offered. Those that have been offered from this side of the aisle, have dealt with children and expectant mothers, to try to ensure greater attention to the range of preventive services for expectant mothers and for children, and to extend the envelope to include so many of those who have been left out and left behind. Not those necessarily on Medicaid, but the 12 million of our children who are the children of working men and women who do not have coverage. We have addressed that and the Senate accepted it.

Then we had an amendment on the other side of the aisle and that dealt with penalties, what was going to happen if employers were not going to provide the standard benefit package. It dealt with penalties. And we worked that out and accepted that. Then we came back to this side of the aisle with an excellent amendment from Senators DASCHLE and DORGAN and KENT CONRAD and Senator BAUCUS and many of our other colleagues, dealing with the rural health issues. Once again a people's issue, trying to make sure those Americans who live in underserved areas of rural America are going to have the competent, qualified health professionals to deal with many of the challenges which exist in rural America. That amendment was accepted.

Then we came back to the other side. What happened there? We had an amendment dealing with how we are going to ensure that if a State is going to fail to provide for the requirements to serve the individual Americans, how we are going to ensure that those Americans are going to be served. We had a considerable debate on that. We finally worked that out in a way very similar to the way it had been worked out with other proposals before the Senate.

Then we come back to this side again and what we are talking about is people with disabilities. We are talking about human needs. We talked about children. We have talked about expectant mothers. We have talked about service in rural America. Now we are talking about extending in a more effective, humane way, the range of different services for those who are facing the needs of the disabled.

I want to say as we have moved through this process I am proud this series of amendments have been related to real human needs of people. That is something I am very hopeful that we can continue to deal with. It is important, because we know, if we are talking about preexisting condition exclusions, there is no group in our society that is more affected by the exclusion of health care than those who have preexisting conditions.

If we are talking about portability, there are great numbers of families who are affected when individuals who may be covered because they are part of a group do have some disability. We are talking about the fear that they have and the difficulty they have moving to another job that might mean better opportunity and a better future, but fear they cannot get coverage of insurance because there is not effective portability. We are always going to have that difficulty in terms of portability unless we have a standard benefit package. That concept has been recognized both in the Chafee bill and in the bill which had been introduced by Senator NICKLES.

We know the issue of lifetime caps is something that the disabled are affected by. The fine print that is there that sets a ceiling where individuals buy the policy and then have some extraordinary needs in terms of disability, needs which are unpredictable and uncertain, and they reach those lifetime caps far too quickly. They have an interest in the issue of eliminating lifetime caps.

Regarding the access to specialists, we have to be concerned. We have to be concerned even today with the growth of managed care and the economic pressures that are out there in terms of competitiveness, whether those who are the most vulnerable are going to have access to the range of services that are necessary to give good quality care for those with some disability.

We have to be very careful to make sure there is an access to specialists. Also, that there is going to be access; that these individuals with disabilities are not going to be discriminated against. We heard the sanctimonious statements earlier in the week about how we are filling up the Mitchell legislation with rights that are going to be able to be pursued by individuals in the courts.

I can tell you the reason for that—and so many of those in the disability community can tell you—that is because if you have a disability, the chances of you being discriminated against today in health care policies are rampant.

If we mean that we are going to have a health care system that is going to be available and accessible to all and that we are going to be inclusive, we want to make sure that those legitimate providers that are out there—and they, by and large, are out there and want to provide and will provide for the disabled—are going to be protected. But we also want to make sure that those individuals who will discriminate against individuals with disabilities will not be able to exclude many of our fellow Americans.

It happens in the most extraordinary ways. We can find examples where disabled individuals will be given services for surgery, which will be guaranteed in a health insurance program, but not for rehabilitation, which makes a greater difference in terms of their recovery. If they get the rehabilitation and are given that kind of treatment, it is more cost-effective. But the insurance company will say, "We don't provide rehabilitation, we only provide surgery," and what happens in too many instances is those individuals end up forced into a surgical situation, which is wrong.

So we want to make sure that they are protected as well, and the range of different home-based and community-based programs that have been cut back, even in the Mitchell program, over what we reported out, I think, is unfortunate. But a key element and one of the features that troubles me very deeply in our mainstream group, is what they are doing or what they are not doing with community-based services for our seniors and people with disabilities and their failure to come up with the kind of prescription drugs which are so necessary for our seniors.

I am hopeful that we will be able to address those issues. I am sure that we will.

I want to again just thank the Senator from Iowa for bringing the amendment, which is basically the flexible services option. As I understand it, we have the standard benefit package, but now under the Harkin amendment, we will have this as an option, the flexible service option, which is there for those of us who have the Federal employees

program, which includes all the Members of the Congress and the Senate, and is also available for 10 million other Americans. This is very worthwhile.

So let me just finally say, with the "mainstream" proposal, we are beginning to make some significant progress toward achieving the kinds of health reform that all of us will be proud to support. Clearly, difficult negotiations lie ahead, but if we approach these negotiations in the constructive spirit of compromise that we have seen in the past few days, I am optimistic that we will succeed and that genuine health reform will become a reality.

I urge my colleagues to support the amendment of the Senator from Iowa.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The Republican leader.

Mr. DOLE. Madam President, let me yield first to the Senator from Iowa. I understand he wants to modify his amendment.

Mr. HARKIN. I thank the Republican leader.

AMENDMENT NO. 2572, AS MODIFIED

Mr. HARKIN. Madam President, I have a modification to the amendment. It has been cleared on both sides. I send it to the desk.

The PRESIDING OFFICER. The amendment is so modified.

The amendment, with its modification, is as follows:

At the appropriate place in part 1 of subtitle C of title I, insert the following new section:

SEC. . FLEXIBLE SERVICES OPTION.

(a) EXTRA CONTRACTUAL SERVICES.—A health plan may provide coverage to individuals enrolled under the plan for extra contractual items and services determined appropriated by the plan and the individual (or in appropriate circumstances the parent or legal guardian of the individual).

(b) DISPUTED CLAIMS.—A decision by a health plan to permit or deny the provision of extra contractual services shall not be subject to a benefit determination review under this Act.

(c) DEFINITION.—As used in this section, the term "extra contractual items and services" means, with respect to a health plan, case management services, medical foods, and other appropriate alternatives (either alternative items or services or alternative care settings) determined by the health plan to be a less costly alternative to covered items or services.

Mr. DASCHLE. Madam president, I rise to support the amendment offered by my colleague from Iowa. As chairman of the Subcommittee on Disability Policy, Senator HARKIN has worked tirelessly over the years to ensure that disabled citizens have the same opportunities available to them as all other Americans. His amendment is a continuation of his efforts to craft health care policies that are sensitive to the needs of these individuals.

DISABILITY GROUPS SUPPORT THE MITCHELL BILL

Before I discuss Senator HARKIN's important amendment, I would like to

emphasize the disability community's support for the Mitchell bill.

The disability community supports the Mitchell bill because his bill ensures universal coverage for all Americans; guarantees a standard benefit package to all individuals; eliminates pre-existing condition exclusions for all individuals; and includes a significant home- and community-based long-term care services program.

The reforms and benefits included in the Mitchell bill are important to all Americans, but are especially meaningful for disabled Americans. Only about half of individuals with a severe disability had private health insurance in 1992 compared with 80 percent of persons with no disability.

HARKIN AMENDMENT

Senator HARKIN's bill further improves upon the Mitchell bill from the perspective of the disability community.

Senator HARKIN's amendment is simple, but important. It would allow insurance companies to continue a practice that greatly benefits people with chronic conditions and disabilities.

This practice is sometimes referred to in the insurance industry as "extra-contractual services" which simply means that, with a patient's consent, plans have the option of substituting high-cost treatments with equally effective, but less expensive alternatives.

This option is currently available under the Federal health plans and many private insurance policies—Senator HARKIN simply wants to ensure that private plans continue to have this option available to them.

Let me give you just one real life example of why it is essential to give health plans this type of flexibility. In California, a baby boy had been hospitalized for severe respiratory problems. With specialized care in the home, the child could have been discharged from the hospital. However, he lived in an area lacking any nearby physicians or hospitals and situated at an elevation of 9,000 feet—an inhospitable environment for a child with respiratory problems.

His doctor recommended that instead of keeping the child in the hospital, the insurance company should pay for a rental apartment and 24-hour nursing care. This alternative would cost \$30,000 a month compared to \$60,000 per month if the child had remained in the hospital. The mother consented to this arrangement, and the child recuperated beautifully in his new environment. Meanwhile, the insurer saved more than \$30,000 for every month the child needed care.

Senator HARKIN's flexible services option amendment would simply clarify that such sensible, cost-effective arrangements could continue to exist under a reformed health care system.

I strongly believe that whatever health plan we pass this year, we need

to guarantee that the legislation is sensitive to the needs of the disabled. As I mentioned, the Mitchell bill already has several provisions which would ensure access to appropriate health services for all Americans, including those with disabilities, such as services for outpatient rehabilitation, extended care, and home health care. Senator HARKIN's amendment adds another important provision to the bill that would benefit disabled Americans.

How people with disabilities fare under the reformed health care system is an excellent measure of how well that system is functioning. For if we pass a bill that meets the needs of the disabled, the health care system we create will likely meet the needs of all Americans.

CONCLUSION

Senator HARKIN's amendment adds an important element of flexibility for plans that want to provide cost effective services for enrollees. We already know this option is working for many people with chronic conditions and disabilities. This amendment would simply ensure the continuation of a flexible services option under a reformed health care system.

Let us make sure that under health reform, disabled individuals and the health plans to which they subscribe, have the maximum flexibility and options available to them.

I urge my colleagues to support Senator HARKIN's amendment.

Mr. HARKIN. I thank the Republican leader.

Mr. DOLE. Have we acted on the amendment?

Mr. HARKIN. Madam President, I believe all debate really has been finished on the amendment.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment, as modified.

The amendment (No. 2572), as modified, was agreed to.

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Madam President, I do not think there is any objection to the amendment on either side of the aisle. I congratulate the Senator from Iowa, who has done a lot of work in the field of disabilities.

Madam President, has leaders' time been reserved?

The PRESIDING OFFICER. Yes, it has.

Mr. DOLE. I thank the Chair.

(The remarks of Mr. DOLE pertaining to the introduction of S. 2411 and S. 2412 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. DOLE. Let me now speak briefly on health care, first to include some

editorials that have been appearing in different papers, and an op-ed piece which appeared today in the New York Times by Ross Perot.

In my view, and I think in the view of millions and millions of Americans, Mr. Perot hits the nail right on the head. He writes, correctly, that "No one can accurately estimate what [the bills Congress is debating] will cost American taxpayers."

And he accurately points out that Congress has a history of vastly underestimating the cost of new Government programs.

As Mr. Perot says, "With our \$4.6 trillion debt, we can no longer afford to make such mistakes."

Mr. Perot also echoes what we are hearing from the overwhelming majority of the American people: "Go slow. Take our time. Get it right."

I ask unanimous consent that the op-ed piece by Mr. Perot be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times op-ed, Aug. 19, 1994]

BEFORE WE WRECK THE HEALTH SYSTEM * * *

(By Ross Perot)

DALLAS.—America's health care system—the world's finest—consists of tens of millions of very complex parts. It took nine years and \$300 million, for example, just to develop and test Mevacor, the pill that reduces cholesterol. And that is but one tiny part of the health care industry.

The health industry is twice the size of the U.S. auto industry. It is 14 percent of our economy. It affects every American from birth to death. Successfully reshaping health care is far more complicated than building an aircraft carrier or designing the space shuttle or inventing the atomic bomb.

The Clinton Administration's health care plan was drafted in secret by talented, well-intentioned group whose leaders had little experience in health care. This plan did not attract widespread support in Congress, or with the American people.

Now the Clinton plan is being hurriedly re-drafted into a variety of new bills by Congressional staffers who have little experience with health care. Most of these bills include a vast new Government bureaucracy to oversee the health system. Senate leaders are rushing to force a vote in the next few days on bills that have not been read. Moreover, this restructuring has been undertaken along partisan lines. The American people have been subjected to propaganda and emotional anecdotes instead of having these "reforms" explained to them in a logical and rational manner.

Worse yet, no one can accurately estimate what these bills will cost American taxpayers. We do know that the costs will be massive. In 1965, Congress thought the new Medicare program would cost \$9 billion a year by 1990. The actual cost of Medicare in 1990 was \$110 billion! With our \$4.6 trillion debt, we can no longer afford to make such mistakes.

Can the Government effectively manage health care for the entire nation? Consider the nationwide health care program it manages now—our veterans' hospitals, where services are so poor that only 10 percent of veterans make use of this system.

But there is a rational way to improve the health system, deliver care to the uninsured and keep costs in line.

First, identify the parts of the system that need to be improved. Bring in leading authorities to design the improvements. When this detailed plan has been completed, explain the system carefully to the American people in plain language. Skip the propaganda.

Once a consensus is reached, carefully figure out the cost of these changes and frankly explain how health care will be paid for. Don't mislead the American people by claiming "companies will pay for it" and implying that health care will be free—indeed, it will be the ultimate hidden tax on the ordinary American, because companies will simply increase their prices and consumers will wind up paying the entire cost.

Finally, conduct pilot programs to make sure these improvements work as planned and their costs can be determined. The logical pilot group would include every member of Congress, every member of the White House staff and every Federal employee.

Testing a government-run program on Government employees shouldn't impose much of a hardship. They already have an excellent health benefits program, so they should have good ideas about the operation of a nationwide system. This would guarantee every citizen that any health care plan would be debugged, optimized and trouble-free before it is imposed on the entire nation.

Once the pilot operation is working successfully, at a cost we can afford, with the American people fully informed of the plan and its costs, the decision to make changes nationwide can be made with all the facts on the table and at minimal risk. Compare this rational approach with the propaganda, emotional appeals and name calling in Washington today.

Obviously, no one wants rationing of health services and waits of up to 18 months for surgical procedures, items that are prevalent in Government-run health programs in Europe, Canada and our own veterans' hospitals.

Democrats and republicans must work together to carefully design, test and price the new health system. Encourage them to go slow, take their time, get it right. What's the hurry?

Let's not destroy health care in a well-intentioned effort to save it. Remember, the first rule of medicine is "do no harm." The process I have described could take two years or more. It took nine years to develop Mevacor, just one pill. This is a process that we cannot short-circuit if we want a cost-effective health system that truly benefits the American people. In the words of the carpenter, "measure twice, cut once."

Mr. DOLE, Madam President, the *Wichita Eagle*, which is a highly respected paper in the State of Kansas, one of the largest Kansas papers, in-State papers, in an editorial dated August 17, says, "Forget health-care reform for this year; try again next year."

Let me make it clear that this paper supported health care reform from day one, initially supported the President's plan, supported all the efforts, but they have now concluded, and I think again properly so, that it is halftime and we do not have time to explain all these bills to the American people.

I understand we have eight different measures on the Senate side, counting

the mainstream approach, which will be released sometime next week or when they get the language drafted.

So I think the *Wichita Eagle* makes a good point.

Also, an editorial from the *Fargo, ND, Forum* entitled "Put Brakes on Clinton Health Bus," and a piece by Robert J. Samuelson entitled, "Did the Press Flunk Health Care?" Obviously, the press flunked health care and maybe for the reasons he states, but also most of the press—they are all good people. Do not misunderstand me. This is a very complicated measure, and some of the members on the Labor Committee who have had hearings all year long, some of us on the Finance Committee have a little better understanding, but I do not know how many people understand a bill that is 1,400 pages, 1,444 pages. And there have been at least three of those, two revisions.

So it seems to me that the press wants to talk about mandates, and they always like to say, well, there will be a filibuster. As far as I know, there is no filibuster. And the mandate issue has not been addressed.

But I think the point Mr. Samuelson is making—he is a Democrat and economist—is nobody is worried about the cost. Somebody has to pay the cost. We can talk about all these things we are going to do and all the things we are going to add. And somehow some of us are heartless; we do not agree with everything.

Somebody has to pay the bill. And somebody is going to be a little heartless when we start giving these bills to our children and grandchildren because we did not want to resist anything that anybody asked us; we wanted to do everything for everybody and we did not care what it cost, just pass it on to the next generation.

In fact, the people heard statements by Senator ROBERT BYRD, the chairman of the Appropriations Committee, last night, and a statement of Senator MARK HATFIELD of Oregon, Democrat and Republican, talking about the cost—how much is it going to cost? Who is going to pay for it? If anybody around here ever made a case for a little postponement while we address some of these issues, I think both my colleague from Oregon and West Virginia did last evening.

We ought to keep in mind that some of these bills have not even been scored. By scored I mean the Congressional Budget Office, which is the office the President told us we should listen to for figures, they have not scored the so-called Dole-Packwood American option plan. They have not scored the mainstream plan. They have scored the Mitchell plan. They have not scored the so-called Gephardt plan on the other side, or the Rowland-Bilirakis plan on the other side. And here we are debating health care not knowing what it costs.

I do not know whether people walk in and just blindly buy anything, then look at the cost on the way home after they have paid for it. I do not think so. I think the American people expect us to address the cost.

I would say, with reference to the mainstream provision, they made a good effort. I met with them this afternoon. But again we do not know what it costs. And we will not have any CBO—we do not know whether their savings are accurate or how much it costs.

It seems to me it is almost the bottom of the 9th inning, some would say, as far as this legislative season is concerned. And I think most Americans have decided they do not care what you call the plan; they are going to be skeptical, as they should be, whether it is the Mitchell plan or the Dole plan or the Clinton plan or the Michel plan or the Rowland plan, the mainstream plan.

I think most Americans are very concerned about what it is going to cost them. Are they going to pay more for their premiums? And they are in some of these cases. Are they going to have any choices left? Not many in some of these plans. Mandates? Oh, they are going to have mandates in some of these plans. They are going to have price controls, a lot of new taxes, over \$1 trillion in new spending and we have not even focused on the costs.

It is not, as the Senator from Massachusetts pointed out a while ago, who is more compassionate, the Members on that side of the aisle as opposed to the Members on this side of the aisle. We can play those games. It is really a game. It is unfortunate.

These minor amendments, probably all could have been accepted. We talked about cost in our amendments—a \$10,000 civil penalty if some employer did not offer the right plan. If some little businessman or business woman in my State did not offer the right plan, they could have been subject to up to a \$10,000 fine. That is in the Mitchell bill. It was taken out. Why? Because Republicans found it. That is why it was taken out.

And all these decisions are going to be made in secrecy. We had three charts yesterday out here. All these were going to be made in secret—lower your benefit, raise your premiums, all made in secrecy, not public hearings. That was in one of the Democratic bills. Republicans took it out. Those were rather major amendments.

We are trying to reflect the views of the American people. Then Senator MITCHELL himself offered an amendment amending his own bill which said in effect, your insurance continues even though you do not pay your premiums. Well, somebody has to pay. And so when it gets to be a bill that you do not have to pay your premiums, I think we are going to have a good signpost. But again that was corrected.

So I do not think we can go around characterizing different amendments: Oh, well, we care about the people; we are more compassionate; we care more about disabled, more about children, pregnant women. That may sell in some circles but I do not believe, if you take a poll—and I saw a poll just 2 days ago by Frank Luntz & Associates. I do not know much about Mr. Luntz—48 percent of the people are worried about the cost—48 percent, not the cost of \$1.5 trillion, which is the cost of the Mitchell bill over the next 10 years, what is it going to cost me, the consumer—\$500 a year more, \$600 a year more, \$100 a year more?

They are also worried about access. Are they going to have access to insurance? So I would hope that we look at some of these things.

I ask that all of these be included in the RECORD, along with a letter from the Governors association. And this letter is signed by the Governor of South Carolina, Carroll Campbell, and the Governor of Wisconsin, Tommy Thompson.

Earlier in the debate, our plan was criticized by Governors in both parties, the Dole-Packwood plan, because we put a cap on Medicaid. And they thought that was a bad idea. So we worked it out with the Governors. The only problem was after we worked it out, we could not get the Democratic Governors to agree that it was worked out. So we finally got a letter from two Republican Governors, and in that letter they say that, because Democratic Governors are very anxious to criticize the Dole plan, they are not so anxious to say, well, you fixed it.

So I will just quote one. It says:

Our representatives worked with your staff in good faith to develop your new proposal, and representatives of the National Governors Association and various Democratic governors were also involved in these meetings. The politics of this issue have so far proved impossible for Democratic governors to get beyond, but we are continuing to work with them so we can provide NGA's official written responses to your bill and other bills. In the meantime, we want to thank you for your responsiveness to the concerns of the governors.

I say to the Democratic Governors that we acted in good faith. I spoke to the Governors in Boston a few weeks ago, and they said, "You have a problem. When you put on a Medicaid cap, it is going to shift cost to the States." We worked that out. Where are these same Democratic Governors who were on TV in Boston that night and in the New York Times criticizing our plan on this provision? We worked it out, and they are silent. That is not how we get things done. I hope they will recognize that we made a good faith effort. They recommended that Senator MITCHELL use the same language we worked out for our bill in his bill. The mainstream group has taken the same language we worked out with all the Governors,

Democrats and Republicans, and put it in their bill. Come on, if we are going to start playing politics at every level, we are not going to get anything done. Why not say, OK, you have worked it out, thanks a lot, and we appreciate your working together with us?

We heard a lot of talk the other day on preexisting conditions, on how little our bill did and how much the Mitchell bill did.

I do not think there has been any issue where there has been so much agreement. Republicans, Democrats, Independents, I do not care where you are in America, all say we ought to cover preexisting condition, and that you should not deny coverage on that basis. We have said that, and it is in our legislation, and it is in nearly all the legislation. It is in the mainstream group legislation. For some people, that may mean a very serious condition like cancer or the loss of a limb. For others, it might be something less serious like a skin rash.

Whatever the case, there is no doubt that these conditions lock people out of our health care system.

Just last Saturday—and since we cannot go home for town meetings—we asked 20 tourists to come into my office down the hall. They were from Maryland, West Virginia, Ohio, California, and a couple of other States. The very first question we had was from a man from Florida who had a preexisting condition; I guess he was about 55 or 60. He wanted to know how he would be helped by the various plans being discussed in Congress. It was a very legitimate question by a real person, not a Member of Congress, but a real person.

Over the last few days, there has been a lot of misinformation coming from the other side of the aisle over how the Dole-Packwood bill would solve these problems. So let me set the record straight.

Both the Dole-Packwood bill and Senator MITCHELL's bill contain a provision for a 90-day amnesty period. Both contain the same provision. That means that after health care reform is enacted, there is a 90-day period where anyone can sign up for insurance, and they will be guaranteed to get it—regardless of their health status, no questions asked. They have 90 days. Anybody can sign up, regardless of any preexisting condition.

Under the Dole-Packwood bill, once the one-time 90-day amnesty period has expired, insurers may impose some limitations on most people who wait until they get sick to buy insurance. If you did not have that rule and you did not buy insurance until you got sick, you would not have anybody willing to sell insurance. It is that simple. If we are going to do that, why not extend it to fire insurance, and if your house burns down, come in and we will sell you a fire policy. Or if you have a car

wreck, come in and we will sell you an auto policy. This is also in the Mitchell bill.

Under our proposal, and under the Mitchell bill, if you are insured and change jobs or health coverage, you will never face a preexisting condition limit again. Never again. That was in our bill and in Senator MITCHELL's. If you have coverage and get sick, you cannot be canceled. It is in both bills. And your specific premium cannot skyrocket. That is in both bills.

If you are pregnant, that condition cannot be treated as a preexisting condition. A lot was said about that, and our bill was misrepresented. It is not a preexisting condition. A new baby automatically receives insurance coverage, regardless of the health condition of the baby.

There was some talk about newborns the other evening. We ought to keep the record straight. It is alright to say: I do not like the Mitchell bill, or I do not like the Dole bill, or the mainstream group's bill. But let us try to be accurate in our criticism, because if we are going to make a record for the American people, we ought to stand up and say I do not like it because—and then be accurate and tell them the truth.

Under both the Dole-Packwood bill and under the Mitchell bill, if you have no insurance coverage today, and walk in to buy insurance, you are subject to a one-time waiting period. This is to protect responsible people who maintain their health insurance from having their premiums go up because of people who wait to buy insurance until they are sick. If everybody is going to buy it when they are sick, then insurance will be very expensive and somebody has to pay for it. It will be paid for by responsible people that have policies out there today. That is not fair. That provision is in both bills.

Then they say, well, the Mitchell bill is going to prohibit any exclusion from coverage after the year 2002.

I wonder who would want to sell insurance if the Mitchell bill is enacted.

First, insurance agents are told what benefits must be included in the plans they offer, and what the plan will cost. Then they are hit with a tax on the plans the Government defines as too expensive. That is still in the bill, and there is an effort to try and take that out. Even though the public may be willing to buy these plans.

Mr. President, we all want to prevent insurers from discriminating against those who have been ill. We all want to remove barriers wherever possible, and the Dole-Packwood bill does that. It also assumes that individuals maintain some responsibility, and I think that has been corrected in my colleagues bill, the majority leader's bill, and we are pleased about that.

Finally, Madam President, as I said, the latest entry in the health care debate is outlined in the so-called mainstream proposal. I have had the opportunity, along with Senator PACKWOOD, to be briefed by a number of Members of this group. They are Democrats, Republicans, and they are friends of ours. They have worked hard, and they put together something they feel strongly about. Some of it is like the Finance Committee bill. I am a Member of that committee, so I recognize some of its parts. Some of it is taken from the American option in the Dole-Packwood proposal. Some of it may have come from the Labor Committee, or the bill by the distinguished majority leader, Senator MITCHELL.

But let me say, as I said, I do not see any medical savings accounts in the bill. It has a standard benefits package. It does not let you self-insure if you have less than 100 employees. A lot of people are self-insuring with less than 100 employees. It has a lot of different things in it. It has taxes that I have some concerns about. But I think, overall, it is a real effort, as Senator PACKWOOD said.

We have not seen the draft language. We understand we may not get to see that maybe for a couple of days. There are no CBO numbers on this package. We are told they may come next week or the next week. But, again, as I understand it, it is probably entry No. 8. It is somewhat different. It has different provisions. It is going to be a bill, not a package of amendments. So it is going to be probably a substitute to the Mitchell proposal, or the Dole proposal or any other proposal, the Finance Committee proposal, or the Labor-Kennedy proposal, whatever.

I think we just have to wait and see. You have to study it, analyze it carefully, and see what it costs, and then say OK; maybe this is a good place to start, or maybe it is a starting place. I do not know. But it is pretty late in the game. It is now mid-August.

I again do not know whether the American people are willing to say, "I do not understand all the other bills. I do not understand the other bills. I am merely going to focus on the mainstream bill, and I am really going to understand this bill. I am going to pay a lot of attention to whether they are going to buy into this program."

As I said to the group today, I think to the American people—I am talking about the average American across America; maybe 68 percent, maybe more—all these bills are so complicated, and we did not make them complicated. It is the way the system is; it is complicated. They do not know how much it is going to cost. They do not know about access, affordability, can they pay for it; if they are low-income, how much you are going to subsidize what I buy. To have another plan now come along for which we do not

have the numbers, it seems to me it may be too late in the game.

I certainly encourage the majority leader to seriously consider giving us a couple of weeks to take a look at all these things when we get the numbers. We are not going to have the numbers for 10 days. Why do we not go back to our States and have some town meetings and get out there where the real people are and talk to them about this—kick the tires and look under the hood, as Ross Perot used to say; see what is in this bill.

We could be asked a lot of tough questions. We could not answer some. We could be asked them by young people. Every time I look around, I see a lot of young people. Nobody here is representing young people. Their premiums are going up. They are going to be community-raters. They are going to pay twice or triple what they should pay when they buy a coverage they do not want, because there is going to be a standard mandated package. You cannot buy less.

Up until yesterday, if the employer gave you the wrong plan, he was subject to a \$10,000 fine.

So I would say, particularly to the younger generation, you had better tune in on health care, because you are going to get stuck big time. I think that is why we need to provide some more choices in our plan, as they provide in the Mitchell plan. Ours is not quite as extensive. You buy into the Federal plan, the Federal Employees Health Benefits Plan. If you are self-employed or employ less than 50 employees, you can buy into the plan.

Again, that was another topic discussed this morning where it was indicated there was a big difference on that side; and we were not prepared to do it on this side. Again, that is not an accurate statement. That is not, I might say, in the mainstream plan of theirs. There is no provision to buy into the Federal employee plan. I did not see one.

I think colleagues on both sides will have a number of questions once they have had a chance to analyze this package, and I just suggest that is something that ought to be looked at very carefully.

I ask unanimous consent that the material to which I referred earlier be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PUT BRAKES ON CLINTON HEALTH BUS

Two doctrinaire liberals are driving Bill and Hillary Clinton's health care bus at break-neck speed through Congress.

Someone should apply the brakes.

Sen. George Mitchell, D-Maine, and Rep. Richard Gephardt, D-Mo., are pushing health reform bills that don't have the president's name attached, but appear to be little more than slightly modified versions of his plan. Democratic leaders said again and again last week their plans are "not the Clinton plan."

Then they advanced legislation that just might be.

Might be. That's the point. The majority of the House and the Senate don't know because Mitchell's 1,400-page bill hasn't even been read and analyzed by senators. Gephardt's bill, which also promises to be a 1,400-page nightmare, hasn't been written. Yet, House leadership predicts it will pass with Democratic support.

What's going on here? Why the rush?

Advocates of pushing through health care reform "right now" accuse opponents of dredging up the same arguments used against Social Security and Medicare. Maybe so. But Social Security and Medicare were not jammed through the Congress without sufficient discussion. Both programs stirred passionate debate that lasted for months. When finally passed, support was bipartisan and broad.

Health care reform is even bigger—by some estimates fully 14 percent of the nation's economy. It's also far more complex than Social Security or Medicare.

Despite the enormity of the risks of doing health care-reform badly, the president and his allies seem bent on rushing the process, apparently so they can tell voters before the November elections that Congress "did something."

We'd rather they did nothing than do something wrong.

The danger of shoving either Mitchell's or Gephardt's bill down the nation's throat is that without extended debate—in Congress, on editorial pages, on news broadcasts and talk shows, in town meetings, board rooms and union halls—Americans won't know what they are getting. The devil, after all, is in the details.

Consider one provision in Mitchell's bill:

A tax (up to 35 percent) on health insurance policies with benefits better than the basic package mandated by Uncle Sam—unless your insurance is part of a union contract, which would be exempt from the benefits tax.

Sleight of hand like the benefits tax will be exposed in extended debate in Congress. It's also the kind of outrage that would slip through virtually unnoticed if the process were rushed.

Slow it down. Do it right. Do it carefully, so as not to destroy the world's best health care system.

If it takes a filibuster by Sen. Phil Gramm, R-Texas, or Senate Republican leader Bob Dole of Kansas to stop the Clinton/Mitchell/Gephardt bus, so be it.

DID THE PRESS FLUNK HEALTH CARE?

(By Robert J. Samuelson)

As Congress debates health care, the press ought to be asking itself whether it has blown this story just as it blew the savings and loan scandal. The answer is yes, I think—though in different ways and for different reasons. We have not ignored this story, as we initially ignored the S&L crisis, but our vast reportage has not made health care any more understandable. We have not clarified in our own minds or the minds of our readers what the debate is ultimately about or shown sufficient skepticism about whether "reform" can work as intended.

In some ways, our problem is that health care is too many stories. It's about personal care, the economy, technology (high-tech medicine), ethics (who deserves expensive care?), styles of medicine ("fee for service" vs. "managed care")—and of course, politics and interest groups. We have written thousands of column inches on all these subjects

and in the process have overwhelmed our readers and obscured some of the larger issues.

The most important of these is health spending. With good reason, this is what the "health crisis" was once about. Ever-higher spending is squeezing other government programs and, through employer-paid insurance, take-home pay. For example, Medicare and Medicaid now represent 17 percent of federal spending, up from 5 percent in 1970. President Clinton harped on high health costs in the 1992 campaign, and his initial plan did—on paper at least—deal with them. But the spending issue vanished as the Clintons focused on "universal coverage."

The press went along; the major media stopped listening to concerns about spending. In July, the bipartisan Committee for a Responsible Federal Budget issued a report warning that all health plans could involve huge spending increases. "Common sense tells us," the report said, "that everyone cannot consume more health care and pay less." The committee includes two former heads of the House Budget Committee (both Democrats), five former heads of the Office of Management and Budget (three Republicans and two Democrats) and the ex-head of the Federal Reserve. The report wasn't covered by *The Washington Post*, the *New York Times*, the *Wall Street Journal* or any major TV network news programs.

Sometimes editors and reporters don't even seem to read their own papers. On Sunday, Aug. 7, Robert Pear of the *New York Times* wrote a front-page piece saying that "the goal of cost control has been eclipsed by the furor over universal coverage." A solid story. Unfortunately, the *Times*' coverage the following week ignored health costs. At midweek, the CBO issued a report on Senate Majority Leader George Mitchell's health plan. Previously, the CBO had estimated that health spending could increase to one-fifth of the nation's income (gross domestic product) by 2004, up from a seventh today. The Mitchell plan, the CBO said, would increase it slightly more.

Now obviously, I have a point of view. I think health spending matters and doubt that these "reforms," if enacted, would work as promised. But it is not necessary to share my views to think that these are legitimate issues that haven't been adequately aired in daily coverage. If a major "reform" is adopted and doesn't operate as advertised, people will ask: Where was the press?

Good question. There have been warnings. Return to that CBO report. The CBO found that much of Mitchell's plan is probably unworkable. States couldn't easily determine who would be eligible for insurance subsidies. A tax on insurance would be "difficult to implement." It would not "be feasible to implement" Mitchell's so-called "mandate" without causing severe "disruptions, complications and inequities."

This strikes me as "news." The *New York Times* ignored it, and *The Washington Post* brushed it off with a couple of paragraphs in a small story. To their credit, the *Wall Street Journal* and the *Washington Times* ran major stories; likewise, NBC "Nightly News" reported these findings. But in general the major media tend to treat each of these health proposals as a coherent plan without practical problems. This makes the story a neat combat between "reformers" (implicitly good) and opponents (implicitly bad).

There is a paradox here. Many reporters seem infatuated with "reform" even when, by personal experience, they ought to know

better. Journalists are supposed to be seasoned skeptics, and most Washington reporters are familiar with government's defects. We have covered agencies captured by "special interests." We know of many worthy but unkept promises. We know that Congress evades difficult (aka, unpopular) choices and, as a result, tends to march off in five directions at once. Yet the skepticism that this ought to breed withers in the face of an appealing "reform."

What also has been missed is the basic political nature of this debate. Once government decrees what insurance must cover (by creating a standard insurance "benefits package"), it has effectively nationalized insurance. The obvious way of doing this would be a single-payer system that taxes people and provides government insurance. But that looks too much like a government takeover. The use of "mandates" and regulation disguises this and seems to have fooled many reporters. Hundreds of billions of dollars of spending would still come under federal control.

By now it's clear that the public is deeply puzzled by the whole debate. The responsibility for this falls mainly on our political leaders. President Clinton and his critics have not been candid. They won't acknowledge that the goals that most Americans share—better insurance coverage, personal freedom in medical choices and cost control—are, to some extent, in conflict with each other. In this sense, there can be no ideal reform; somehow, incompatible goals will have to be balanced.

But the conflicts will not vanish just because Democrats and Republicans refuse to discuss them. The press's job is to bring candor and clarity to issues where political leaders haven't shown much of either. We don't make society's choices, but we can illuminate what those choices are. On health care, we haven't.

[From the *Wichita Eagle*, Aug. 17, 1994]
FORGET HEALTH-CARE REFORM FOR THIS YEAR; TRY AGAIN NEXT YEAR

What's shaping up as a political disaster for President Clinton—the impending collapse of health-care reform—could turn into a blessing for the country. The country needs a more efficient and humane health-care delivery system than the one it has now, but it seems highly unlikely that Congress can muster the courage to pass such a bill. The bills on the table don't meet that goal.

So the best course is for national policymakers to forget it for this year and fall back to regroup. Inaction would alter the political fortunes of the president and members of Congress—although how is far from clear because it's far from clear what the American people want Congress to do on this difficult and confusing issue. But inaction could save the federal government from an even more precarious financial crisis than the one it faces already.

The federal government is broke and falling deeper into the hole. For example, in the year 2001, without major changes in current law, Medicare could go belly up. As a highly credible 32-member bipartisan panel of budget experts chaired by Sen. Bob Kerrey, D-Neb., revealed in a frightening report last week, entitlements and interest payments on the national debt are eating up such a huge share of federal resources that by the second decade of the 21st century there will be no money for anything else—defense, education, highways, airports, medical research—unless Americans are willing to endure an economi-

cally crippling tax increase. Yet some members of Congress would add another expensive health entitlement.

The main health-reform plans under consideration in the House and Senate—loosely modeled on Mr. Clinton's original proposal last year—would accelerate this problem. They would hasten the day when government as we know it comes crumbling down, and when the nation's financial unraveling—in progress for about a dozen years now—is complete.

The original focus of Mr. Clinton's 1992 campaign pitch on health reform—a pitch that struck a chord with the electorate—was controlling the cost of health care, costs that have swollen to the point where health care consumes about one-seventh, or 14 percent, of the economy. But as the shouting match over health care increased in intensity last year and this year—it would be inaccurate to call it a debate because "debate" connotes intelligent and orderly discussion of a problem, and that hasn't occurred on health care—the focus shifted. Now health reform is a contest between conservative "meanies" who want to deny Americans universal health coverage and liberal "spend-thrifts" who want to give every American coverage and stick business and the middle class with the tab.

Meanwhile, the voices of those with a vested interest in health-care delivery have risen to ear-splitting intensity. The environment is polluted with all manner of exaggerations, distortions and out-and-out lies aimed at scaring the American people into backing one course or the other.

As *The Eagle* has said many times since Mr. Clinton launched the issue last year, universal coverage is a laudable goal, but the main objective of health-care reform should be cost control—led by the restructuring of the government's two big and burgeoning health programs, Medicare and Medicaid. It's possible to have both cost controls and universal coverage if—if Congress is willing to mandate a basic health-care package for all Americans, while prioritizing the expensive and exotic medical procedures that drive costs through the roof.

Well, let's pretend that this is a football game, that no one has scored yet and that it's now halftime. Let's let the combatants retire into their locker rooms until the main halftime event—the election—is over, then resume work on the problem next year. Maybe, just maybe, they'll get it right in the second half.

OFFICE OF THE GOVERNOR,
August 16, 1994.

Hon. BOB DOLE,
U.S. Senate, Washington, DC.

DEAR SENATOR DOLE: Several weeks ago, we sent you a letter in which we outlined our major areas of interest in national health care reform. In that letter, we discussed our preference to fully integrate the acute care portion of the Medicaid program into a new low income subsidy program. We also strongly opposed your cap on the federal portion of the Medicaid program. In private conversations and publicly when you addressed the National Governors' Association in Boston, you pledged to work with the governors on a bipartisan basis to address our concerns about the structure and financing of Medicaid. Over the past several weeks, your staff has worked effectively with governors' staffs on these issues, and we appreciate that you have fulfilled your commitment.

We believe that the approach to Medicaid reform presented in your legislative proposal

(S. 2374) meets our goal of integrating, to the greatest extent possible, the acute care portion of Medicaid into a new low income subsidy program. This approach is equitable to the working and non-working poor in that it makes the same benefits packages available to all who qualify for subsidies and removes the categorical distinctions of Medicaid.

By allowing states the option to fully integrate acute care Medicaid into the low income program at the time the program starts, you allow states to choose to move to a maintenance of effort financing mechanism immediately. By providing a three-year window during which states could continue to run their current programs subject to state and federal spending caps, you allow states the option to reduce their MOE baseline. Using the year before a state integrates as the baseline year gives us attractive flexibility.

We support your general approach to providing supplemental benefits for the new low income subsidy program by providing a capped entitlement to states to target benefits outside the basic benefit package to populations most in need. Your approach makes a broad array of services potentially available to a larger population while being mindful of state and federal budgets. As you know, however, a few states might want to have the option to provide some of these benefits as individual entitlements, and we would like to continue working with your staff to refine the details of this provision.

Although we have focused primarily on the Medicaid and low-income portions, it also appears that your bill is much more state-friendly in terms of regulatory flexibility. However, we note that under most health care reform bills which have been introduced, states will have major administrative, oversight and enforcement responsibilities, and we would also like to continue to work with you in this area to make sure the regulatory scheme makes sense.

As vice chair of NGA and co-chair of the NGA health task force, we believe that everything we have said in this letter is consistent with the positions taken by the National Governors' Association in official policy and in our major policy interpretation of the Medicaid/low income subsidy program. That view is strengthened by the fact that governors of both parties have pointed to your legislative language on Medicaid as a framework for other bills. Our representatives worked with your staff in good faith to develop your new proposal, and representatives of the NGA and various Democratic governors were also involved in these meetings. The politics of this issue have so far proved impossible for Democratic governors to get beyond, but we are continuing to work with them so that we can provide NGA's official written responses to your bill and other bills. In the meantime, we want to thank you for your responsiveness to the concerns of governors.

Sincerely,

TOMMY G. THOMPSON,
Governor of Wisconsin.
CARROLL CAMPBELL,
Governor of South Carolina.

(Mr. KERREY assumed the chair.)

CRIME

Mr. DOLE. Mr. President, finally, I would say that there is one thing, I guess, we are going to do before we leave—and I will conclude; I know the Senator from Maryland has been wait-

ing—and that is to complete action on a crime conference report.

I listened to the President carefully at 1:30. I think it is a positive development. He indicated that he is willing to work with the Republicans.

I must say, the President has a strange interpretation of bipartisanship. You stiff the other side as long as you can if you do not need them. That is fine. But if you need them at the last minute, then you scream for bipartisanship. That is a different way than I think we do it in the Congress. If you do not start off together in a bipartisan way, it is pretty hard to get people to come on board after the takeoff—after the crash landing, in this case. It was a crash landing.

So they are back in conference as we speak. Hopefully, they will cut out some of the pork, and there is a lot of it in there. Some was put in by Members on both sides. So I am not going to start reciting where the amendments came from, but I must say, I know there are a lot of Appropriations members who have been in and out of here today.

If someone asked about some program that affected my State or the State of Washington or the State of Maryland, or any other State, and we did not have a hearing on it and it was over \$1 or \$2 million, we would be in real trouble. There is about \$9.5 billion in spending in this so-called crime bill that there has not been 1 minute's hearing on, not 1 minute—\$9 billion.

So if that is the way you want to work it, I guess that is OK.

The President did say he now supports the public notification provision in the law, and that is a step in the right direction. But I do not think a 10-percent across-the-board cut is 100 percent, right? I hope they can negotiate that, because we ought to. We should not take it out of police hiring. The President says there are going to be 100,000 police on the street. Some people say that is not true, that we are lucky to get 20,000 on the street. Even that is better than zero. If you cut a 10-percent cut across the board, you are not even going to get 20,000, and you are not going to get to build the prisons. One thing, when you lock up a violent criminal behind bars, he is not going to commit a violent crime.

We ought to take all these cuts out of social programs that are in terms of billions, not millions of dollars, and we ought to put that back in some of these tough proposals that were kicked out in conference, or I guess it was a conference. I do not know. The Republicans were not able to participate. Normally, they do not in a crime conference. After the first day or two, the Democrats get together and decide what ought to be in the bill. And particularly House Republicans are treated as I do not know what—they are not treated at all.

We ought to take Senator SIMPSON's proposal requiring the swift deportation of criminal aliens and that ought to be back in the bill. It was taken out. If you have criminal aliens in America, why are they not deported back to their country? Why have them coming to America? What is wrong with that? Why do the Democrats not understand in the conference there is nothing wrong with that?

Why do we not have a mandatory minimum sentence. If I use a gun in the commission of a crime and I am convicted, I ought to have a mandatory prison sentence. That was kicked out in conference.

Why are we talking about guns and attacking people with guns? What about someone using a gun? Why not go after the perpetrator, someone who is going to pull the trigger? The gun is not going to go off by itself. If someone uses a gun in the commission of a crime, there ought to be a mandatory prison sentence.

Also, there was a little loophole they found, a retroactive repeal of mandatory minimum penalties. You could have 10,000, up to 16,000, drug offenders back on the streets if this bill passes without change. People who have been convicted of serious drug offenses could be released early under this bill.

So I just suggest there is still some time for compromise, and it is probably a little late. A lot of bipartisanship is better late than never. You generally start on bipartisanship at the beginning of the game, the takeoff, not after the crash landing, and it was a crash landing when the House did not approve the rule last week. Democrats joined the Republicans; 58 Democrats joined the Republicans. So it was bipartisan. It was a bipartisan protest of a bad bill.

Here is the bill that left the Senate at \$22 billion and then went up to \$33 billion in conference; \$11 billion was added, most of it again without any hearings, without even all the conferees in the room, and for a lot of social programs. Someone said that when you call 911, you are not going to get a policeman, you are going to get a social worker on the phone if this bill passes, because that is where most of the money is going to be spent.

I hope there will be a conference. I assume it will come here next week. It is my hope that we take up the crime bill, that we see whether or not it is subject to a point of order and whether or not a point of order can be sustained. If not, it is open to amendment, and maybe the amendments will not be necessary. But then, after that, as I have been saying—and I see one of the chief architects of the mainstream approaching—I hope after we deal with the crime bill, and I said it was a real effort and I compliment all those who have been working so hard to pass it for not several days, but several weeks and in some cases, months.

I hope we will have some time while we are waiting for CBO figures on the mainstream and other bills that we might be able to get back to our States and talk to our constituents about health care, and then come back in September and see if we can wind it up, because we made a lot of progress. As everybody knows, we finished all the appropriations bills, almost a record. They have all been completed. Conferences are going on, and most of the other—in fact, all the must legislation—has been completed except, I guess, the crime bill, health care, and some might say campaign finance reform. It depends on what shape it is in when it comes back. And maybe a few other things.

So I conclude if there is bipartisan ship on the crime bill, it will probably pass with a pretty good bipartisan majority. If not, then I assume the President will have to sweat it out tomorrow or sometime next week to see if he can squeeze out 218 votes on the rule.

Mr. President, at today's news conference, I was pleased to hear that President Clinton has convinced himself that good-faith negotiations with Republicans may be the ticket out of the crime-bill morass. That is a positive development, but after listening to the President and Mrs. Clinton last weekend railing about procedural tricks and other political gimmicks, I must say they have a very odd view of bipartisanship.

At the news conference, the President indicated that he now supports the public notification provisions of the Megan Kanka law. That's a step in the right direction, but the President must understand that his second proposal—a 10 percent cut across the board—is a 100 percent nonstarter here in the Senate. The focus should be on cutting pork, not on cutting prisons or police, as the President seems to have suggested. Any cuts should be from the social-spending account, and they should be in terms of billions, not millions, of dollars.

Regrettably, the President also failed to mention some of the tough-on-crime proposals that passed the Senate last year and should be part of any crime bill compromise: Mandatory minimums for those who use a gun in the commission of a crime; mandatory restitution for crime victims; Senator SIMPSON's proposal requiring the swift deportation of criminal aliens; and the provision ensuring the admissibility of similar offense evidence in sexual assault cases.

And let's not forget the retroactive repeal of mandatory minimum penalties. As a result of this misguided proposal, as many as 10,000 convicted drug offenders could be eligible for early release.

Yes, there's room for compromise, but the President will have to come our way. That's what bipartisanship is

all about. And, in the end, it may require him to do some heavy lifting within the ranks of his own party.

Unfortunately, the administration has stood back silently through most of the crime debate here in Congress. It never had a crime bill, never sent one to Congress, never showed one to me. And, the administration was AWOL in the debate over the so-called Racial Justice Act. If the administration had early-on staked out a clear-cut position against this flawed proposal, months and months of delay could have been avoided.

Now that the House has recommitted the crime bill to conference, we have a real opportunity to pass the kind of tough, no-nonsense crime-fighting plan the American people deserve. But, as these negotiations begin, the administration should be on notice that a tinker-around-the-edges approach just won't fly here in the U.S. Senate.

I yield the floor.

HEALTH SECURITY ACT

The Senate continued with the consideration of the bill.

Mr. SARBANES addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland is recognized.

Mr. SARBANES. Mr. President, it is late on a Friday afternoon. I listened to the comments of the distinguished Republican leader, and I regret the sharp cutting edge to them at this point in the debate. As we wind down this week's debate, one would hope, as we depart for the weekend, we would look forward to next week and coming here in a positive and constructive way to address the health care issue.

In fact, I am reminded of the comments the majority leader made at the very beginning of this debate when he first laid down the Mitchell proposal. And I want to quote him. He said:

Madam President, this should not be a political debate. It should be a debate about the best way to deal with the real life problems of real life Americans when they fall ill, when their children fall ill, and when their parents age and need care. There is nothing political about that.

And then later he said:

The future quality of life of millions of Americans depends on how firmly we put aside partisanship now and concentrate instead on crafting the best possible reform legislation that we can.

Now, we have seen a lot of time spent, to put it in the vernacular, dumping on the majority leader and his bill. It has been interesting to watch. The other side made some criticism, and the majority leader said, "Well, those sound like good criticisms. I am going to incorporate them and adjust my bill." Then we get the supposed cries of outrage that, "The bill has been adjusted. This is not the same bill you put in a few days ago. You have made some adjustments to it."

Of course, the adjustments were made in response to the suggestions and the observations that were made from the other side. So the very people who say changes ought to be made, when the changes are made, then they criticize the majority leader for making the changes.

At the outset of the debate, the majority leader said: "As we begin this debate, I want to say again what I said several times previously—that I look forward to constructive suggestions to improve the bill I introduced last week. Democratic and Republican Senators have been active in the health care debate for well over a year." Let me emphasize that. "For well over a year. Many have valuable contributions to make."

And then the majority leader went on to say this, and I was particularly reminded of his comment as I just listened to the Republican leader, Senator DOLE. And I am now quoting Majority Leader MITCHELL.

It is my goal that the Senate pass the best possible health care reform bill, not a bill with a Democratic label or a Republican label; not a bill with my name on it, or the name of any Senator on it, but simply the best possible bill that will reach the goal we all should share, guaranteed private health insurance to provide high quality health care for every American family.

Let me repeat that.

*** Not a bill with a Democratic label or a Republican label, not a bill with my name on it or the name of any Senator on it, but simply the best possible bill that will reach the goal we all should share—guaranteed private health insurance to provide high quality health care for every American family.

And when he closed his opening statement, Senator MITCHELL said:

I say to Members of the Senate that it is time to act. I believe my bill is a good starting point for action. I welcome constructive suggestions and alternatives to it. I look forward to the debate. Let us debate. Let us amend. But in the end, let us all do what is right for the people of this country.

Now, I very strongly agree with that. I think we have to work at these proposals. That is what we were sent here to do. I do not think we should be trying to score partisan points off one another.

I regret what I saw transpiring earlier this week, when Senator MITCHELL had to take the floor to make the point that very important aspects of his legislation were being completely misrepresented.

Let me just pick one item. He talked about the subject of choice. A Senator from the other side said, "if this plan is adopted, Americans will lose their choice."

Senator MITCHELL said, "That statement is untrue, categorically untrue." And then he went on to outline how, in fact, for many, many Americans the proposal contained in his legislation would provide more choice than they have today and how hard he has

worked to protect choice on the part of the American people with respect to their health care.

He stated, "I think it is important that Americans understand that my bill will do the opposite of what our colleagues have alleged. It will greatly increase choice in health plans and it will preserve fully choice of providers. Anyone will still be able to see any doctor they want, choose anyone they want to see in nurses or any other form of provider."

What is happening, as I perceive it, is an effort is being made to scare and confuse people. When you come to deal with major legislation such as this which affects everyone, of course people are concerned. They ought to be interested. They want some sense of what are the changes in the health care system that are going to take place. People know what they have now. I think many people perceive it as inadequate. I do not think the American people would say we have a health care system in place that fully addresses all the needs and problems of our population. Therefore, we need to address those questions. But we need to do it with a reasoned debate.

The first thing that needs to be done is to say, here is a problem. Do you agree that this is a problem or do you dismiss the problem or diminish the problem? That is the first question. If there is agreement that there is a problem, for example, people are not covered, people will lose their health insurance. Do they need to be addressed? If so, then how do we do it?

Now, in effect, the proposals to simply fold our tents and walk away, come perilously close to suggesting that there is no problem. We are here now. We need to address this issue. The time to deal with the health care issue is upon us.

Now let me make some observations more broadly about this health care issue.

We devote a much higher percentage of our national resources to health care than other advanced industrial countries. And yet we fail to provide coverage for the entire population that is provided in those other advanced industrial countries.

In other words, the current system in the United States spends significantly more as a percent of our national income on health than other advanced industrial nations and yet provides less comprehensive coverage for a substantial portion of the population.

We are spending 14 to 15 percent of our gross national product on health care. The next advanced industrial country in terms of percentage would be Canada, at about 10 percent; we are spending almost half again as much. Germany and France then follow in behind Canada. Unfortunately, we do not provide, even with a much higher health care expenditure, the com-

prehensive coverage that exists in those other countries.

Does it not serve our purposes to examine what is happening elsewhere. In fact, invariably, visitors from other advanced countries when they come to the United States are impressed with the very high technological advances that exist at the very upper end of our health care system, but they are also struck by the extent to which the ordinary American is at risk from major illness, in terms of suffering a financial disaster.

We have a substantial number of our population who have insurance but live in constant fear that they will lose it. We have another significant number without insurance at all. We have people with bare-bones coverage, or such large deductibles that it covers, in effect, only catastrophic events, and they are constantly taking a hit with respect to health care costs because they cannot afford the insurance that would provide adequate coverage.

Currently, we have people locked into jobs they would otherwise leave but cannot because they have a pre-existing condition and if they depart the plan they are under, they will not be able to get full health care coverage. If they depart and go to the other plan, they get covered with the exclusion of the preexisting condition, which is of course the dominant reason why they need the health care coverage.

It is some crazy system, when you move and you want to change a job and you want to get health insurance coverage, and they say: We will cover you for everything but this very condition, which is the source of the individual's health problems. What kind of insurance is that in terms of an overall system that provides real insurance protection against health care costs?

We have people with serious illnesses who find they have lifetime insurance limits which are exhausted long before their need for coverage ends. We have families with children with medical conditions. The families are red-lined out of coverage, thereby putting the entire family at risk. The list goes on and on and on.

One of the reasons I think this is such a critical issue is that I think most people would accept the proposition that health care is a fundamental human need, and that in a just society there ought to be a way to provide for it. In fact, it is demonstrated in our society because the people who do not have coverage when they get ill go to an emergency room or to a hospital, and we provide the coverage and then it is paid for by others. That is cost shifting, which is one of the problems with the existing health care system.

It would be a very hard society that said to someone: You do not have the money to pay for your health care and therefore you must go without. Actually, that happens to some extent in

our existing society because they never get to the emergency room, in many instances, until they are in very dire, dire circumstances. In order to be a decent society, our Nation should have a health care system that has a place in it for all Americans. Therefore, I think we need to address the issue of universal coverage. In fact, what is happening now, because we do not have universal coverage, is that many people are paying twice. They pay for themselves and then they end up paying for the people who are not covered.

Take two small businesses that are in competition with one another. The owner of one small business wants to do right by his employees and he has a health care plan for them. Let us assume he pays part of the premium and they pay part of the premium. His competitor down the street, another small business, not sensitive to that need of his employees, has no health insurance. The employer who provides health insurance incurs a cost in order to do so, which then places him at a competitive disadvantage with the employer who fails to provide it.

So, in a sense, the irresponsible employer, in terms of how he deals with his employees in not providing for their health care needs, gets a cost advantage in the competition between these two businesses because he does not incur these health care costs, whereas the other employer who is trying to do the right thing by his employees, does incur these health care costs.

That is not the end of it. To compound this competitive disadvantage, when the employees of the employer who does not provide health insurance get sick and have to find health care somewhere, they go to the emergency room of the hospital. And, of course, the hospital provides them health care. They have no insurance; they cannot pay for it.

What does the hospital do? The hospital factors the cost of providing that unpaid health care into the charges that are made to those who do have insurance. In other words, it gets fed into the premiums of the people who do have insurance—which, of course, includes the premiums of the employees of the competitive small business, the one that is providing insurance. So the competitive small business that is providing insurance incurs the cost to begin with of providing for its people, and on top of that incurs an extra cost in its premiums because of the charge that is made to cover the hospital care that I just indicated.

So, in effect, the businesses which currently take the responsibility to provide good health care coverage for their employees are paying for those businesses that do not take that responsibility. We need to work out a system of universal coverage so all people are covered, and not only to address questions such as those, but also

to address the question of the affordability of the health care system. We obviously need to find ways to reduce the rate of increase of costs in the health care system. In other words, we need meaningful cost containment. But that is related to achieving universal coverage. Otherwise, you are going to continue to have cost shifting taking place.

We talk about the projected rise in the cost of health care, and obviously it is a matter of concern. Those parts of the health care bill that are met through public expenditures are projected to increase as we move out toward the end of the century. That would then be a concern as we try to address the budget deficit.

People who have insurance are concerned about the rise in premiums which they are constantly confronting. Small businesses which do cover their employees face rising health care costs which are reflected in the cost of the premiums which they must pay. So everyone has an interest in effective cost containment. But to achieve effective cost containment and to deal with the cost shifting issue, you need universal coverage. That is why developing a system which achieves universal coverage is extremely important.

I want to point out, because we talk about the deficit on the financial side—and that is a very important consideration—but I also want to point out that there is a deficit on the health care side as well, and it is important to keep that in mind.

A significant number of Americans are experiencing today a deficit on the health care side. They are not getting the kind of health care which would help to build a truly healthy society. People are in constant apprehension and fear on the health care issue. There is no question about it.

Unfortunately for many, they do not fully appreciate the import of this question until they are hit themselves by a major health care problem. As I said earlier in the debate, when the Senator from Iowa offered his amendment dealing with the disabled, many people do not fully appreciate the burdens of that until it actually happens to them. I think it is very important for people to step back for a minute and think to themselves, "There but for the grace of God go I," and to recognize that these major illnesses can strike anyone at any time. It is, in many instances, simply fortuitous who is affected.

Now, there are aspects of one's health care that are not, and I am going to address that shortly when I talk about preventive health care. But many of these major severe illnesses strike people, in a sense, like a bolt of lightning. It is nothing they did. They may well have done everything right not to have a serious health problem, and yet they are hit with a serious health problem.

Obviously, insurance is based on the principle that by pooling the risk you can provide coverage. You may never have to use the coverage. Some would say, if that happened, "Well, I wasted the money on the payments." What they really should say is, "I'm grateful that I was not struck by major illness, and I covered myself in case it happened. I was able to provide for myself and my family in case something of that sort happened. It didn't happen, and we were blessed that this was the case."

Let me turn briefly to the choice issue, which is obviously important. We need, of course, to maintain choice—choices of doctors, choice of health plan—so people can exercise some discretion in their health care decisions. In many respects, choice now in the American health care system is being significantly curtailed. In fact, the proposal contained in the Mitchell bill and, indeed, in other proposals that are before us—other legislation that has been proposed—provide more choice for many Americans than now exist.

Under the current system, most Americans are insured at their workplace, in many instances where their employer negotiates a plan with an insurance company and presents it to the employee.

In many, many instances, the only choice available to the employee, to the individual, is either to participate in that plan, period, or to forgo coverage as far as it being provided, usually in some shared way by the employer, obviously. As we address this question, we need to enact legislation that protects the rights of individuals to choose their health care plan. And most of the serious proposals that are before us seek to address this matter—the Mitchell proposal offers people three types of health insurance, one including a traditional fee-for-service plan.

It is an important question and we need to focus on it, and we need to together work out a solution to it.

But make no mistake about it, under the current system—in other words, if we do nothing, just continue as we are—under the current system, the trend in this country is toward significantly restricting or limiting choice, not toward expanding it. In fact, as the cost of health care increases—again because we have not developed a system where we can have effective cost containment—more and more employers are choosing approaches in which the individual's choice is further limited. So the people actually now are finding that they do not have a choice of health care plans and they do not have a choice of health care providers.

I listened the other day as these criticisms were being made of the proposal that Senator MITCHELL put forward on the choice issue. And I could

not help but think to myself, the amount of choice now is being curtailed and what Senator MITCHELL is proposing in his legislation, and what others have proposed in legislation—he is not the only one, of course, sensitive to this issue in terms of the proposals that they have now brought before the Senate—is more choice. Let me just quote him:

It will greatly increase choice in health plans, and it will preserve fully choice of providers.

Let me just turn briefly to the quality issue, which is, of course, a very important question. As I said before, we have at the top line, at the most sophisticated level, health care that is unparalleled worldwide. Unfortunately for many Americans, the current system is too expensive or too inaccessible to allow access to such health care.

What we need to do is ensure the continuation of the high quality of care that exists, while expanding access to it. I do not pretend this is a simple issue, but it is an issue that is possible, in my judgment, to solve. And people who have that access now need to always keep in mind that they are in risk of losing it tomorrow. People get sick, they find their insurance canceled; children get ill, parents find that there are maximum limits on the coverage that is available to them; an individual gets laid off and cannot acquire insurance because of preexisting condition; middle-income families are increasingly finding themselves priced out of the market. We have not gotten effective cost containment so they end up consistently downsizing their health care coverage, then they are hit by something major, the coverage is inadequate, the financial burden of that, in effect, wipes out the family.

I have two of the world's great academic medical centers in my State, the University of Maryland and Johns Hopkins University. Of course, much of the quality of American medicine comes from the work that is done in the academic health centers and, therefore, it is very important, I think, in any legislation that is before us that we focus specific attention on the status of the academic medical centers and how we provide for them.

That is done in the Mitchell bill. It is done in other legislation that is before us. It is very important that this be part of the ultimate solution.

Now, Mr. President, let me turn for a moment to preventive health care. One of the most significant developments that could come from a rational health care system that embraces all of our people is a shift in the focus from curative health care to preventive health care. This offers to all Americans the possibility of longer, healthier, more productive lives. It would be one of the most effective ways to hold down health costs. We need to shift the emphasis of our health care system toward preventive health care. Now it is

focused on curing people after they become ill instead of keeping them from becoming ill in the first place.

Now, there are a number of employers who recognize the desirability of this. They have developed workplace wellness programs, often fully funded by the company, designed to achieve this very objective. The Baltimore Gas & Electric Co. in my State has such a model program. It recognizes a very simple proposition, that it is cheaper to keep people healthy in the first place than to try to make them well after they become ill.

Now, there are three basic components of prevention: clinical, community based, and policy. Clinical preventive services include immunizations. The benefit-to-cost ratio from the immunization programs are staggering. The expenditure of a relatively small amount of money for the immunization realizes tremendous savings in not having to deal with illness.

Screening for early stages of disease. Again, if you catch the disease in the early stage, it is obviously far better for the individual's health, and it also saves you a lot of money.

Important community-based preventive services include injury prevention programs, a protection against environmental and occupational hazards, health education, disease surveillance. All of these help to meet the problems that might arise from vulnerable populations. Programs can be developed to improve individual health practices—something we need to pay more attention to in this country.

I spoke earlier that it was fortuitous for people, whether they were hit by a major illness or not. On the other hand, it is clear that many people are not engaged in the kind of health practices that would enhance their health and make it more likely that they could continue to be healthy and productive members of the society.

We need increased investments in all three areas to better educate people about public health and the importance of prevention and improving and protecting the health of all Americans. And the Johns Hopkins University School of Public Health, the Nation's oldest school of public health, is, of course, a leader not only in our own country but worldwide in trying to place an emphasis on those programs and has consistently documented the savings to be realized.

Senator DODD offered an amendment early on in the debate moving up the effective date for providing prenatal services for low-income pregnant women. Every study has shown that not only is that clearly better for the health of the mother and the child, which is, after all, the prime concern, but, in addition, the cost savings are extraordinary because the costs involved in looking after children who have been born prematurely are enormous.

Any large hospital that has a substantial pediatric unit can show you these premature birth babies and the enormous costs that are being expended on them. Clearly, it would be far better to take a portion—it is a very small portion—of that money and spend it earlier for prenatal care and better health practices so that you do not have the premature birth to begin with.

We have to start thinking in a more reasoned and rational way about this issue. We have built up a system that has many, many good aspects to it, but there are blanks, there are large blanks. The costs continue to rise at above the rate of inflation. Actually, a year or two ago, it was double the rate of inflation.

With all of this discussion about health care and about health care costs, and the concerns in the health care industry, the increase in costs has come down a bit. I understand that historically such restraint has happened every time we have had a serious debate in the Congress about health care costs. There seems to be a tendency out there, feeling the pressure, to restrain the costs and then once the debate fades from view to go back to the higher trend line. And as I said, only 18 months or 2 years ago the trend line in the increase in health care costs year to year was running at double, more than double the trend line for the ordinary CPI and the cost of inflation.

So as we conclude this week and look forward to next week, first of all, I urge that we continue to stay with this issue. We have not faced this issue in the serious way that it is now being dealt with in a very long time in this country, indeed, if ever. I understand the issue is complicated. And I understand that the issue is controversial. There are sharp differences of opinion about what ought to be done. Unfortunately a great deal of hyperbole is being used in some of the debate. I think Senator MITCHELL and his proposal were subjected in the debate this week to a verbal assault that departed from reality.

As I said at the outset, we need to identify the problems and see if we can reach some range of agreement on the dimension of the problem.

Obviously, if one person feels there is a problem and another one does not think there is a problem, then they are going to differ over what ought to be done about it because the latter person will think nothing should be done because he does not think there is a problem.

When we talk to our constituents, they identify problems. Often what happens, unfortunately, is in order to identify the problem people must have experienced it. Some people, unfortunately, if they have not experienced the problem, find it difficult to imagine that it might happen to them even

though it is clear that that possibility very much exists. I have in fact talked to people who had never experienced one of these problems, preexisting condition, exhaustion of coverage, being red lined in terms of insurance with one of their children, not able to obtain insurance for one of their children, and find they are not sensitive to it. So they tended to have one attitude about health care. Then, unfortunately, they experienced the problem, and they came to understand that there was a blank in the existing health care system. There was a flaw in the existing health care system that failed to provide for such situations. All of a sudden that situation came into their lives. And then they saw, firsthand, with a personal and immediate impact, what the flaw of the system was. I think we have a responsibility, in the course of analyzing this problem, to identify those flaws and to seek to do something about them. People should not actually have to go through that brutal process, which is destructive for many families, in order for us to come out at the other end and say we have to do something about this weakness or this flaw in the existing system.

Senator MITCHELL has made a real effort to build on the existing system. He has taken the existing system and sought to add to it. It is not a radical restructuring of the system. In fact, it is a shift even more toward private health insurance and coverage.

I hope we may be coming closer to focusing intently on the substance of the problem before us. I do not think we ought to leave the field on this issue. I think we need to stay with it and work through it, and we need to try to work through it in a reasoned and rational way. Senator MITCHELL was very clear himself that he thought his own legislation should be amended. In fact, he said the opening day at the conclusion of the debate, "I believe my bill is a good starting point for action. I welcome constructive suggestions and alternatives to it."

I do not agree with some of the proposals in his or in the other legislation. I do not think, in some instances, they fully recognize the problem. And if they fully recognize the problem, I do not think they provide an adequate solution. I am prepared to discuss both of those dimensions in a reasoned fashion. I do not think we ought to engage in this kind of labeling, a lot of which has happened over the last couple of weeks, because the task in which we are engaged is too significant and too important for that. We are truly engaged in a debate of historic dimensions, and it ought to be a debate about the best way to deal with the real life problems of real life Americans when they fall ill, when their children fall ill, when their parents age and need medical care.

The health care debate is not about a particular party's proposal, not about a

particular Senator's proposal. The health care debate really goes to the heart of the quality of life of all Americans. I think that the future quality of life of millions of Americans depends on our ability to engage in a process here of crafting the best possible reform legislation of which we are capable. And I very much hope, Mr. President, we continue to move forward in that task.

I yield the floor.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The Republican leader is recognized.

Mr. DOLE. Mr. President, I do not disagree with many of the things my colleague from Maryland stated about the need to pursue health care reform. But his initial statement seemed to indicate the partisanship on this side and the statesmanship on that side. I hope there is statesmanship on each side.

It has been reported to me that the White House has a daily meeting with certain of my colleagues on the Democratic side, and they give the orders and suggestion to go out and demonize BOB DOLE and the Dole effort. Maybe that is not partisan, but it appears to me rather partisan. That was reported to me. It was brought up at the luncheon that the way to succeed is to go out and demonize the Dole-Packwood plan and the American option. Maybe that is not partisanship, and it is statesmanship.

I think we have to address the differences in these bills. If we do not, the American people are not going to know. If we are not willing to define the differences accurately in all of these bills, then I think we are doing a disservice to the American people. I assume, having been around here for a while, that there has been some of that going on for some time.

I remember that during the last several months of the Bush administration, every Friday the Senator from Maryland, the Senator from Tennessee [Mr. SASSER], and the Senator from Michigan [Mr. RIEGLE], would rush to the floor at three in the afternoon and spend a couple of hours berating President Bush and his economic policies. Maybe that was not partisanship; maybe that was setting the record straight, or statesmanship.

So I suggest that we understand the politics when we see it. We have been castigated—or I have, and our plan has—by the President and by Mrs. Clinton, and by a lot of special interests that line up with the Democratic Party. We try to ignore most of that, because we think there should be an effort to get a health care bill. But to indicate what the Senator did—that it is all on this side, and nothing is ever said of any political nature on the other side—to me, either the Senator has been absent the last few days, or somebody has not informed him of some of the debate that has gone on.

So we are prepared to continue discussing health care reform. It is an important issue. I noted that the Senator never mentioned cost. It is funny the Democrats never mention cost.

Mr. SARBANES. Will the Senator yield?

Mr. DOLE. They do not mention cost to the families out there. We talk about the horror stories; we talk about what ought to be done; we talk about adding children and pregnant women. But somebody is going to have to pay for that, and young people are going to have to buy that standard benefits package even though they do not need all that service. So there has to be some reality here and some equity here and some fairness here for different age groups, different people and circumstances, and I think cost is very important. The cost of our plan is very important. We do not know yet the cost of the so-called mainstream plan.

We have been told by the distinguished Senator from West Virginia, the chairman of the Appropriations Committee, that the Mitchell plan is \$895 billion in new spending, and that bothers the Appropriations Committee chairman, along with Senator HATFIELD, the ranking Republican. We can have this debate about everything that is good and everything we ought to do and everything we ought to cover, and it is going to be hard to say no, but somebody has to pay the cost. We can either borrow the money as a Government, or we can raise taxes. I do not know of any other way we might be able to do it. Sooner or later, we have to debate the cost of all these different programs—the Dole-Packwood plan, the Mitchell plan, or any other plan that may be offered here on the floor.

I certainly do not disagree with the majority leader. We have spent a lot of time together and have worked together, and we are good friends. But this is a give and take process. There has to be give and take; it cannot be just take or just give. Give and take. We will have a lot of that debate, I am certain over the next few days, maybe weeks, maybe months.

Again, I will just suggest there are so many plans, and unless I miss completely the American attitude, I think most Americans say all these plans are so complicated. In fact, there is a TV spot saying that it takes 10 years to develop a drug to treat whatever, and we are trying to pass health care, consisting of 1,400 or 1,500 pages, in 10 or 20 days. That is hard for the American people to understand, and they are very bright people. It is hard for them to understand what is in this package. I do not think probably one Senator has read what is in this package.

But as we do read it and other people read it, we find things in this package that certainly have pretty healthy votes, striking out provisions that call for penalties on small business, calling

for meetings to meet secretly to talk about a lot of things that deal with health care, the benefit package, and in one case even said you did not have to pay the premiums and you will still get coverage. Those are the reasons we need to spend time on an issue this important.

So, if there is something we have said on this side that particularly offended the Senator from Maryland, we would be happy to look it up and have that debate next week in fairness to the staff who have been here all day and all week. I would say that the debate has been fairly well—I do not know if "balanced" is the right word; I think there have been probably some partisan statements made on each side. But for the most part the debate has been talking about shortcomings in the bill before us.

The Dole bill is not even before us, the Dole-Packwood bill, and it has been criticized up and down. They have had charts and everything else. It is not even pending. I hate to see what is going to happen when it is pending. We have already had a blizzard of criticism from my colleagues on the other side of the aisle, though I think many of my Democratic friends would vote for the bill if we get to that point because it is a real effort. It was a real effort. It was not put together in 5 minutes, or 5 days, or 5 weeks. We believe, and we are not going to be defensive about it, it does a lot of things the Senator from Maryland said ought to be done. Nobody can quarrel with many of these areas, and they are covered in our bill.

There may be more in Senator MITCHELL's bill. It may cost more. There may be more taxes and more spending. But in my view, that may not mean it is a better health care reform bill.

So we look forward to the debate, I guess, next Monday and through next week, and maybe through the next week and through the next week. And we will see what happens.

Mr. SARBANES. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Mr. President, before the Republican leader leaves the floor, I want to correct his comment that I did not mention cost. I did mention cost at some length in the course of my statement, and I recognize it as an important issue as we address the health care question.

The PRESIDING OFFICER. The Senator from Maine is recognized.

Mr. COHEN. Mr. President, I can comment later about any charges of partisanship on this side. There may be some Members who are so committed, passionately committed, against health care reform this year that they have indicated they would filibuster the bill. That may be confined to one or two Members. But I must say, the

notion that we should not take as much time as is necessary to go through this document page by page, concept by concept, to understand exactly what we purport to be undertaking on behalf of the American people, I think it would be a great disservice if we did anything less.

I am astonished that anyone would accuse Members on this side of engaging in a filibuster by taking 10 days to discuss perhaps the most important social legislation—that is, health care reform—that is likely to take place or has taken place in the past 50 years; we are told we have been trying to get this bill up for 50 years. Now it is here and now is the time, it seems to me, to take our time and go through and understand exactly what is involved.

I daresay that many Members of this Chamber, the Senate, have not read every page of the Mitchell bill or even the Finance Committee bill, and certainly have not read the Dole bill all the way through. They have not read the legislation that we proposed or will be proposing next week, the so-called mainstream group.

This is important business that we are about. We take 2 to 3 weeks to debate a defense authorization bill every single year. We spend nearly 2 weeks, at least 2 weeks, on the defense bill. We have a committee, headed up by Senator SAM NUNN, a renowned expert in the field. He is joined by Members who have spent their 16, 17, 18 years on the committee with him devoting themselves to defense issues. And yet, before we come to the floor with a defense authorization bill, there are as many as 200 or 250 amendments pending every year, the same thing.

So it seems to me it is not unreasonable that when we have a bill that comes to the floor, that has not been here before for 40 or 50 years and that is of this size and dimension and consequence, that we take as much time as necessary without one side or the other hurling accusations that Republicans are simply interested in delay and deny, delay and deny.

Mr. SARBANES. Mr. President, will the Senator yield?

Mr. COHEN. Let me finish.

Mr. SARBANES. Surely.

Mr. COHEN. There are Members on this side, and I want to say a few words about Senator DOLE, because I heard my friend from Maryland mention there may have been some people here who have never suffered, who do not know what it means to suffer or to lose insurance. That may be the case.

That certainly cannot be said of Senator DOLE. Anyone who knows his history knows the kind of suffering he has endured most of his life and even to this day. Most of us who know anything about Senator DOLE know about his past in terms of not coming from a well-to-do family, having no insurance, of having to raise money with a tin

cup, so to speak; asking neighbors and friends to chip in to pay for travel so he could get health care treatment.

So I think if there is anyone in this body who knows about pain and suffering and what it means to be without health insurance, it is Senator DOLE. He may have a different view. He may have a different view of how we go about trying to restructure our health care system so as to expand coverage for more and more people who are in need of it.

I must say, it is an oversimplification, but I believe we come at the problem from two philosophically different points. I believe that many on this side feel that if you can deal with a problem of cost, if you can reduce cost down low enough, you will be able to expand the coverage to cover those who are now without it. There are those on the Democratic side who feel, well, the answer really is to mandate coverage for everyone; if you mandate coverage for everyone, then cost will come down.

The answer may be somewhere in the middle. I do not know. I am not wise enough to know where the true answer is. But I do believe there is a philosophical difference. That is why we are Republicans and that is why we are Democrats, and that is why it is the purpose of this institution to debate this as long as necessary to come to a fair conclusion of how we achieve whatever one wants to achieve, and that is the better social goal.

So I think we have to be careful in terms of how we undertake to reform our system. I do not question anyone's motives. I listened to the debate. They say we must cover everyone for everything and deal with the cost at a later time, or at least it is deficit neutral.

One of the problems is—and I say this to the Senator occupying the chair, who has been concerned about entitlement costs—the explosion in entitlement growth. Here we stand up on this floor to debate it, and those of us on this side, in particular, ask: Can we not do something to contain the growth of entitlement costs? The answer we always receive is: Look, the problem is not in the growth of entitlement programs; it is health care costs. Wait until we get to health care costs, and we will deal with that problem. So now we come to a health care bill, and we have not dealt with the problem.

It is not enough to say it is deficit neutral. That does not put us any better off, when looking at deficits running in the range of \$200 billion or \$250 billion into the indefinite future. We are running the risk of bankrupting our children.

So I know the Senator from Nebraska is deeply concerned about this issue. I do not think enough attention has been paid to it. I think that mainstream group in the last 2 days came to a different conclusion on this. We were headed in a direction of saying: Let us

see what we can do to put together a package of amendments, or bundle of amendments, or a new bill that can achieve the goal of covering those who are without insurance as best we can, holding down costs, giving more incentives for people to insure the people they employ, reforming our tort system, malpractice reform, insurance market reform—do all of these things.

But we found out CBO came in and said: Wow, this is going to cost you many hundreds of billions of dollars. Suddenly, we had cold water thrown on our efforts. We said: We had no idea it was going to cost this much. We, in a period of 24 hours, maybe 48 hours, came to a slightly—not slightly; quite a different—conclusion. The conclusion is, we want to do something to help the people of this country. We also do not want to bankrupt our children, who will be paying the bill.

So we started to look at cost containment and deficit reduction in a much more serious fashion.

We ought to be cautious in all of that, because when we first passed Medicare—correct me if I am wrong on this—but I think when we passed Medicare, President Johnson said we can afford, as a nation, \$600 million. I think the bill was the first year. The bill for Medicare this year is about \$150 billion—not \$600 million, but \$150 billion—and rising.

And so, even though we have noble intentions and perhaps even modest assessments of what it is going to cost, and if the past is any prelude to the future, any lesson to be learned from the past will tell us that whatever we estimate, it is going to be grossly understated.

So I think it is important that we take enough time to debate this issue thoroughly, that we not hurl partisan accusations back and forth.

There are people on this side who have legitimate differences of opinion about whether the Mitchell bill is the correct way to proceed, whether the Clinton bill was the correct way, even whether the Dole bill is.

There is a group of us on both sides, Democrats and Republicans, that has been meeting now for several weeks and just finished today at roughly 5 o'clock, who have come to what we think is a mainstream proposal. Virtually no one will be happy with it. Virtually everyone has to pay some kind of a price in that particular proposal. And that may be something new; that we are not going to make promises and tell people there is no pain involved, there is no pay involved, that you can have added benefits, but it will not cost you any more. The time for doing that has long since passed. So we may end up with no bill at all.

I think the mainstream coalition, consisting of a group of about 15, 16, maybe 18 people, pretty nearly divided between Republicans and Democrats, I

think it is perhaps the best hope we have for reaching some kind of an agreement this year. It may be, as I said before, unacceptable to virtually every group that is in this town that will be outside these doors on Monday and Tuesday, because, as they look through it, they will figure out they either receive less or pay more.

But it is time we level with the American people and say we are going to give this particular benefit, it is going to cost this amount, and we will have to pay for it either through raising taxes or lowering benefits. We can no longer lead you down the path of saying we can give you something for nothing.

So, Mr. President, I just want to say that I wanted to commend Senator DOLE, who came to our meeting today. He and Senator PACKWOOD were invited in to listen to the presentation that the group made to him and to Senator PACKWOOD.

I was impressed with the response. They thought we made a good-faith effort. There was a lot in that proposal, I think, that they could agree with. There were some things, undoubtedly, they could not agree with. But they indicated to us they are going to take it back, wait to see the legislative language.

Now we criticized the Mitchell bill which is 1,446 pages and the Dole bill is about half that, maybe 700-plus. We have no idea how long our bill is going to be, but I am told it will grow exponentially between tonight at 7 o'clock and Monday when we get the legislative language. It may look something close to the Dole bill, if not the Mitchell bill.

But Senator DOLE said he is waiting to see the language. He will read it. He will obviously want to take it up with the Republican caucus.

Senator MITCHELL was invited in and he, too, was impressed with the effort that we all made and thought that there were a lot of good provisions in it. Obviously, he found some provisions he would object to in that proposal, of course.

But I think that that presents the best opportunity we will have this year.

I must say, in my own opinion, it will have to be a new proposal, a new bill, and it will have to have the support of both Senator MITCHELL and Senator DOLE. Without their mutual support, I think we will see it break down. I think we will see each side really going back to their more extreme demands on our side and on the other side as well, and nothing will happen this year.

What the Senator from Maryland has said is that next year we will be back here and people will be complaining to us that we did not do anything.

I would like to say just a word about whether people are reading the polls

right now or the telephone calls that are coming in or the letters they have received. They are running heavily against anything now, because they are convinced, for a variety of reasons—television commercials, attack ads, radio talk shows, each side, depending upon which side one is on, exaggerating the benefits of the bill, minimizing the disruptions, the costs; the other side demeaning the significance of the reform effort.

As a result, people are confused. They do not know what is in the legislation. They have no idea what it will do or will not do. And they are scared that we are really engaging in a field in which we are not well informed, that we have little, if any, idea about the ultimate consequences of how it will spin out, unfold, into the actual marketplace.

And so the calls are coming in, the letters are coming in, saying, "Don't touch it whatsoever."

But I daresay that a year from now, if we do not take some action to reform the current system, prices will continue to escalate, and the growing numbers, millions of people currently without health insurance, will continue to grow, there will be hardship experienced by many, many millions of people, and that public sentiment will turn. They will say, "Look, we elected you to do something. That is why you are down in Washington, to do something constructive."

And so anyone who is reading the polls today who comes to the conclusion that the public does not want any action whatsoever, I think will come to a different conclusion next year. Because I think the momentum next year will be less, it will lose whatever momentum is building, and may be dissipating as I speak, but next year, I think there will be less chance for passing legislation. And some may say, "Well, all to the good, let the marketplace dictate what takes place for the millions of people who are without health insurance today."

But I have a deep-seated belief that American people, when they find that we have done nothing to change some of the deficiencies in our current health care system, that we have made no improvements, that we have not begun to come to grips with the costs, both emotional and financial, in terms of long-term care and other important aspects of our health care system, that they will turn on the Congress, the House and the Senate Members, and say, "Why didn't you do something?"

So I think that the mainstream group that has been denigrated by some who think that we are just in the mainstream inside the beltway—I come from the mainstream outside the beltway. I come from a family of very modest means. I come from a working father and mother, a father who, at 85 years old, still works 18 hours a day, 6

days a week, and has never had a vacation in the last 15 or 20 years. So I think I know a little bit about what small businessmen and women have to contend with every day. I do not consider myself to be in the mainstream only inside the beltway, but I would say in the mainstream of mainstream America.

So I hope, Mr. President, that there will be a lot of goodwill left, not hurling the accusations back and forth, but rather to say there are people of goodwill who are searching for the best possible solution for a very serious problem, and I include Senator DOLE in that effort and many Members on this side, as well as the other.

I hope that we can lay aside the partisanship and try to do the Nation's bidding, as such, and do well for the Nation, not do harm, and to bring some level of credit to this institution.

I yield the floor.

Mr. SARBANES addressed the Chair The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Mr. President, I have worked with the Senator from Maine for many years in the Congress, and I know that he comes to a debate in a reasoned and rational way, which is very important.

In the course of my presentation I was not addressing the problem of the pace of working through these issues. They are complex and they need to be very carefully worked through. And I welcome the comments of the Senator about moving now in a constructive fashion.

What I was addressing was the mischaracterization that some in this body are making about the proposals that are before us; mischaracterizations that have the effect and perhaps are intended to have the effect to confuse and scare people. Let me give one example, and I want to quote Senator MITCHELL in doing that. It was asserted by one of your colleagues that if the Mitchell plan was adopted, "Americans will lose their choice."

Of course, I believe the matter of choice is an important issue, and, in fact, I do not want people to lose their choice. I want to enhance their choices as does Senator MITCHELL. But that was the characterization that was placed upon the Mitchell proposal.

If a grossly inaccurate statement is made about the Mitchell proposal—and I want to read what Senator MITCHELL said about it—how can you have a rational debate?

Here is what Senator MITCHELL said about the characterization that his plan would cause Americans to lose their choice:

That statement is untrue, categorically untrue. There are two types of choice in health care. The first is in choice of health care plans. How much choice does the individual American have in selecting a health

insurance plan? Right now, almost none. Most Americans are insured through employment. The employer negotiates a plan with the insurance company and presents it to the employee, and the only choice the employee has is to accept or reject that plan, to either participate in it or not to participate in it.

Under my plan, the individual employee will be offered a minimum of three different plans. They will have the same standard benefits package, but they will deliver care in three different ways: either in the form of traditional fee-for-service, or a health maintenance organization, or in some other form. So in the first dimension of choice, that of health plans, my bill will dramatically expand choice for almost all Americans. For the first time, individual Americans will be able to choose from more than one health plan.

Second, the element of choice in physician or other providers. It is simply not true that choice will be denied under my plan. Since everyone will be offered at least three types of plans, one of which must be traditional fee-for-service, every American will have the opportunity to continue to have the fullest freedom of choice with respect to physicians. No one will be denied that opportunity.

Interestingly enough, the current trend in the country is in the other direction. As costs of health care rise, employers are increasingly turning to managed plans, HMO-type plans in which the individual's choice is limited. So if we do not adopt health care reform, more and more Americans will be denied choice in provider. So you have a reduction of choice in the one area where it now exists and continuing lack of choice with respect to health plans.

So I think it is important that Americans understand that my bill will do the opposite of what our colleagues have alleged. It will greatly increase choice in health plans and it will preserve fully choice of providers.

That is very simply my point. You cannot even cross over the threshold of a reasoned debate if the criticism of a proposal completely mischaracterizes the proposal.

So I think we have to have an accurate and a realistic portrayal of it and then let the debate go from there.

Mr. President, I very much hope in the coming weeks we can bring to this debate a constructive attitude.

It is clear, if we continue our current system, more and more of these gaps, these flaws, these blanks that I earlier alluded to in the health care system will worsen, will become even more manifestly obvious to the American people.

I very much hope in the coming weeks all of us will be able to work through this issue in a constructive way in order to help address the health care needs of the American people.

I yield the floor.

Mr. President, I suggest the absence of a quorum.

Mr. SARBANES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELF-INSURANCE AND THE MITCHELL BILL

Mr. HATCH. Mr. President, over the course of the past few days we have had an opportunity to learn about the Clin-

ton-Mitchell health care reform bill. This bill, all 1,443 pages of it, is one of the most complex pieces of legislation introduced in the Senate in recent memory.

We are now beginning to learn what is in this massive piece of legislation. Just yesterday we approved an amendment essentially designed to delete a provision that was inadvertently included in the final draft. Just how many more of these stealth provisions are there in the Clinton-Mitchell bill?

Well, I believe I have found another one, at least, one that has not received as much attention as other provisions such as the employer mandate and all those taxes the American people are concerned about.

If I were to say to my colleagues that there already exist a way to provide quality, prevention-oriented health care for millions of Americans at a significantly lower price, I would imagine that most of my colleagues would want to sign-up immediately on such a plan. Well I can tell you that such a plan does exist.

It is not known as the Clinton proposal, or the Mitchell proposal, or the Gephardt proposal. It is known as self-insurance, and self-insurance is health reform that is already working for over 40 million Americans. More than two-thirds of U.S. employers who provide health benefit coverage self-insure their benefit plans.

Unfortunately, the Clinton-Mitchell health care bill would prevent all companies with fewer than 500 workers from self-insuring health benefits for employees and their families. I believe that we should continue to provide self-insured employers, both large and small, with an equal opportunity to manage their own health care costs.

When employers self-fund their health plans, they directly pay the bills employees get from doctors, hospitals, and other providers. Companies with as few as a dozen workers set aside a preset amount of funds for routine health claims. Firms manage their own health plans but usually rely on third party administrators to handle the paperwork. In addition, firms will purchase insurance, called stop loss, to cover extraordinary or catastrophic medical expenses as well as to ensure plan solvency.

Self-insurance works for small and medium businesses for the same reason it works for larger firms—through cost controls and quality plans. In all, for both small and big firms, about 85 million Americans receive health care through self-insurance.

The success of this program has been remarkable. Approximately 67 percent of all employees receiving health care benefits through their employers do so through a self-insured arrangement. This is a dramatic increase over the 1988 figure of 48 percent.

For the employer, self-insurance has been a proven mechanism in control-

ling rising health care expenditures. The average administrative costs for self-insured plans are 6.1 percent of total costs compared with 9.9 percent for conventionally insured plans.

Small businesses and farmers self-insure for one primary reason: it helps control costs. The advantage of self-insuring is that employees consume health care more reasonably when it comes from employer/employee funds. When employees know that reasonable consumption of care may result in more money for bonuses or better salaries, they consume more responsibly.

With self-insurance, small employers exercise greater flexibility in health care plan design, creating plans tailored to the particular needs of their work forces.

Data from the Department of Health and Human Services show that self-insured companies are more likely to offer health promotion and employee wellness activities than conventionally insured businesses. For example, 36.3 percent of self-insured businesses provided their employees blood pressure screenings, while only 28.2 percent of companies with conventional health plans did so.

Employer self-insured health care is reform that is already here. Under an amendment that Senator COATS and I plan to offer, businesses from 2 employees and more could continue to self-insure health benefits. Self-insurance coverage works and is consistent with all significant insurance reform proposals. There is no need to change it.

Mr. President, the July 3, 1994 edition of The Arkansas Democrat Gazette contained an article by a Mr. F. Mac Bellingrath who is president of Automatic Vending of Arkansas. In his article he writes about his first-hand experience of providing health care benefits to his employees through a self-insurance mechanism.

He writes:

Self-insured small businesses are already achieving what many in Congress want to achieve through legislation—more widespread health coverage and lower cost. It is discouraging to me that there are some in Congress who want to outlaw successful, grassroots health reform here in Arkansas and throughout the country. They propose forcing self-insured small employers into mandatory alliances or mandatory insurance buying pools run by the government. Even if the insurance buying pools they propose are voluntary, they would force small employers to give up their self-insured plans, and compel them to buy conventional insurance.

He continues:

That's really not the way to go. Why should Washington force small businesses to get rid of what is already working and working well? It is the private sector that has the reputation for developing ways to deliver more goods and services for less money—not the Federal government.

Finally he states:

There is simply no compelling argument for Congress to interfere with the concept of self-insurance for small businesses. Such interference, based on a company's number of

employees, seems to me to be unfair and unwise. Every employer, regardless of size, should have the right to continue to self-insure its health benefit plans. Employer self-insurance is health reform that is already working.

Mr. President, I ask unanimous consent that the entire article from the *Arkansas Democrat Gazette* be included in the *CONGRESSIONAL RECORD* at the conclusion of my remarks.

I hope my colleagues in the Senate will support the amendment that Senator COATS and I will offer at the appropriate time to preserve the self-insurance option for thousands of small employers and millions of Americans who are already benefitting from this cost-effective and proven method of health care reform.

There being no objection, the article was ordered to be printed in the *RECORD*, as follows:

**SELF-INSURED HEALTH COVERAGE WORKS,
THERE'S NO NEED TO CHANGE IT**

(By F. Mac Bellingrath)

There is a lot of talk in Washington these days about how the federal government can help small employers provide their employees with health benefits. Unfortunately, for all the talk, Congress is coming close to outlawing one of the best ways small employers throughout Arkansas and elsewhere have found for providing good health benefits at a reasonable cost—self-insurance.

Through my own company, an Arkansas-based employer that provides health care coverage for some 60 employees and their families, I know first-hand of the savings that can be accrued through self-insurance. Those savings have allowed our company to be more cost-competitive in the marketplace and have allowed our employees to enjoy a higher standard of living through lower payroll deductions for their share of the health-benefit cost.

Legislation under consideration on Capitol Hill this week would, for the first time, prohibit employers from self-insuring solely based on number of employees. That comes despite the wide-spread adoption of self-insurance by employers of all sizes—from the largest to many smaller firms, such as my own. According to the U.S. Department of Health and Human Services, 42 percent of small businesses employing 50 to 99 people that provide health-care benefits do so on a self-insured basis.

Self-insurance makes it possible for small companies to cut back on administrative expenses. Instead of paying between 16 percent and 40 percent of claims for conventional insurance coverage, processing for self-insurance is typically done for less than 6 percent of claims—about what a large business might pay. Self-insured companies simply pay most of their employees' medical expenses through a third-party administrator, and buy aggregate stop-loss coverage to insure against catastrophic losses above a chosen level.

Secondly, many of us are being pro-active by working hand-in-hand with healthcare providers in the development of innovative new approaches to sound managed care. With studies showing that, aside from administrative expenses, health care for a large employer costs as much as it does for a small employer, self-insuring has proven to be an effective way for small businesses to deliver excellent health benefits to their employees

at costs rivaling those of much larger companies.

Additionally, as a group, we self-insuring employers offer more health promotion and wellness programs than the average employer that relies on conventional health insurance, according to the U.S. Department of Health and Human Services. It found that self-insured companies were more likely to offer these programs to workers in all 20 categories studied—ranging from blood pressure screening to smoking cessation programs.

Self-insured small businesses are already achieving what many in Congress want to achieve through legislation—more widespread health coverage and lower cost. It is discouraging to me that there are some in Congress who want to outlaw successful, grass-roots health reform here in Arkansas and throughout the country. They propose forcing self-insuring small employers into mandatory alliances or mandatory insurance buying pools run by the government. Even if the insurance buying pools they propose are voluntary, they would force small employers to give up their self-insured plans, and compel them to buy conventional insurance.

That's really not the way to go. Why should Washington force small business to get rid of what is already working, and working well? It is the private sector that has the reputation for developing ways to deliver more goods and services for less money—not the federal government.

There is simply no compelling argument for Congress to interfere with the concept of self-insurance for small business. Such interference, based on a company's number of employees, seems to me to be unfair and unwise. Every employer—regardless of size—should have the right to continue self-insuring its health benefit.

Employer self-insurance is health reform that is already working.

MORNING BUSINESS

Mr. SARBANES. Mr. President, I ask unanimous consent there be a period for morning business with Senators permitted to speak therein for up to 5 minutes each.

The PRESIDING OFFICE. Without objection, it is so ordered.

THE MEXICAN ELECTIONS

Mrs. FEINSTEIN. Mr. President, I rise today to mark the importance of the United States' close relationship with our southern neighbor, Mexico, which will soon hold simultaneous elections for President, the Chamber of Deputies, three-fourths of the Senate, and numerous governors. Continued stability coupled with democracy in Mexico are of particular significance to the success of that relationship.

The last decade saw rapid growth in the trade relationship between the United States and Mexico and an even faster growing interdependence of our countries. Mexico is now the United States' third largest export market and our third highest import source. Similarly, the United States is Mexico's largest export market and its largest import source. Mexico's liberalization of its economy and entry into the General Agreement on Tariffs and Trade

have helped to spur the growth of its own economy. The combination of these elements has served to increase further the significance of the ties between our countries. This trade relationship is particularly important to the State of California.

With the entry into force of North American Free Trade Agreement at the beginning of 1994, the relationship between the United States and Mexico entered a new phase. All parties to the agreement—the United States, Canada, and Mexico—had high hopes for free trade that would bring benefits to each. Mexico hoped to further develop and modernize its economy with the help of expected investment that would result. Unfortunately, Mexico has suffered a few unexpected setbacks, beginning with the Zapatista uprising in Chiapas on January 1.

The uprising was a disturbing reminder to the United States that there are issues that remained unresolved between the Mexican Government and the indigenous Mayan population, which constitutes 30 percent of Mexico's total population. The guerrilla group—called the Zapatistas—said that they represented the Mayans and put forward claims of discrimination and human rights abuses. The Mexican Government first attempted to use military force to put down the revolt, but to its credit, it changed to a policy of reconciliation. Despite the uneven progress made so far, the policy continues to be pursued. The Zapatistas should also be commended for their pledge not to resume combat or to disrupt the upcoming elections.

It was in connection with those elections that Mexico suffered another blow: The assassination of Luis Donaldo Colosio, the Presidential candidate of the Institutional Revolutionary Party. The United States was saddened by this event, but we were also confident in Mexico's ability to recover and hold elections without further incident.

In this context, Mexico has shown itself to be sensitive to concerns of the international community that elections be free and fair. In addition to the adopting electoral reforms, the Mexican Government has invited the participation of thousands of foreigners as electoral visitors. My colleague, Senator John MCCAIN, hopes to head one such delegation. Although they will not participate at the level of election monitoring that is usually performed by the United Nations and Organization of American States, I am optimistic that the presence of these election visitors will increase public confidence in the results of the elections and reduce the possibility for postelection violence.

Nevertheless, I remain concerned about reports of preparations for protests after the vote. Calls for post-election protest from the opposition

and reports of Government imports and stockpiling of riot-control gear, including heavy equipment, cannot help but add to an atmosphere of tension.

I feel certain that all the American people join me in the hope that Mexico's August 21, elections take place in an atmosphere of calm that will contribute the Mexican people's confidence and to a resolution of remaining concerns. Elections that are conducted in a free and fair manner and that stand up to the scrutiny of both Mexican and international observers will contribute to the close relationship between our two countries and help to guarantee its future. California, which traditionally has had particularly close ties to Mexico, looks forward to a process that will bolster those ties and yield benefits both for us and for our southern neighbor.

NATIONAL GANG VIOLENCE PREVENTION WEEK

Mr. SARBANES. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of Senate Joint Resolution 167, designating "National Gang Violence Prevention Week," and that the Senate then proceed to its immediate consideration, that the joint resolution be deemed read three times, passed and the motion to reconsider be laid upon the table; that the preamble be agreed to; and any statements relating thereto appear in the RECORD at the appropriate place.

The PRESIDING OFFICER. Without objection, it is so ordered.

The joint resolution (S.J. Res. 167) was deemed read the third time and passed.

The preamble was agreed to.

The joint resolution, with its preamble, is as follows:

S.J. RES. 167

Whereas the number of gang homicides has risen in Chicago alone from 38 in 1980 to 101 in 1990;

Whereas the number of gang-related homicides as of 1991 stood at 1,051;

Whereas, in the past decade, gang-related homicides and gang related drug trafficking has increased and spread to cities in all 50 States;

Whereas, between the years 1989 and 1991, the number of gangs and gang members in the Nation's 79 largest cities doubled;

Whereas the number of gangs as of 1991 stood at 4,881 which includes 249,324 members;

Whereas gangs are now part of the crime problem in communities with populations as small as 8,000 citizens;

Whereas many gangs are actively involved in drug trafficking, and some Los Angeles gangs have been linked to Colombian drug cartels;

Whereas our youth are directly impacted by the rise in gang membership, with the average age of gang members being 19; and

Whereas every effort needs to be made to reduce gang violence and steer our young people away from gangs and every citizen needs to be aware of the problem: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of September 12, 1994, through September 16, 1994, be designated as "National Gang Violence Prevention Week", and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe the week with appropriate ceremonies and activities.

THE CALENDAR

Mr. SARBANES. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged, en bloc, from the consideration of the following joint resolutions: Senate Joint Resolution 215 designating "Try American Day," and Senate Joint Resolution 216 designating "National Hispanic Business Week," and that the Senate proceed, en bloc, to their immediate consideration; that the joint resolutions be deemed read three times, passed and the motions to reconsider be laid upon the table, and the preamble agreed to, en bloc; that the consideration of these items appear individually in the RECORD and that any statements thereon appear at an appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The joint resolutions (S.J. Res. 215 and S.J. Res. 216) were deemed read the third time and passed.

The preambles were agreed to.

The joint resolutions, with their preambles, are as follows:

S.J. RES. 215

Whereas the creativity and ingenuity of American working men and women in the United States have provided a host of new products and services which improve the quality of life in the United States and the world;

Whereas American workers should be recognized as one of our Nation's most valuable resources;

Whereas the American spirit of entrepreneurship, pride of craftsmanship, and commitment to quality are hallmarks recognized throughout the world;

Whereas the United States and its citizens have reason to celebrate the strength and quality of American products and services;

Whereas the quality and abundance of American goods are a tribute to the productivity and ability of American workers;

Whereas the ability of American companies to export, even in the face of strong trade barriers in many countries, is a sign of the true competitiveness of American products;

Whereas American farmers and ranchers provide this country and the world with a wide array of high quality food and fiber products and consistently create annual agricultural trade surpluses of more than \$20,000,000,000;

Whereas the energy and perseverance of American business serves as a beacon for other nations that strive to ensure prosperity for their people; and

Whereas American small business provides a basis for economic progress and for the creation of jobs and opportunities for people from every corner of America: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That September 5, 1994, Labor Day, is designated "Try American Day", and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe the day with appropriate ceremonies and activities and to honor the day through the purchase of American-made goods and services.

S.J. RES. 216

Whereas the Hispanic business sector of the United States economy has significantly grown in recent years, contributing significantly to the strength and vitality of the economy and increasing employment opportunities for the citizens of this Nation;

Whereas the number of Hispanic-owned businesses in the United States has increased 150 percent since 1982, and is projected to number 585,000 by the end of 1994;

Whereas sales by Hispanic-owned businesses have increased 81 percent since 1982, and are expected to reach an annual high of \$27,200,000,000 by the end of 1994;

Whereas the number of persons employed by Hispanic-owned businesses has increased 95 percent since 1982, and will exceed 375,000 by the end of 1994; and

Whereas the period from September 15, 1994, through October 15, 1994, has been designated as Hispanic Heritage Month: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning September 12, 1994, is designated "National Hispanic Business Week". The President is authorized and requested to issue a proclamation calling upon the people of the United States to observe the week with appropriate ceremonies and activities that promote a better understanding and awareness of—

(1) the significant contributions which Hispanic-owned businesses make to the United States economy;

(2) the continued employment and job creation which results from the growth and expansion of Hispanic-owned businesses;

(3) the entrepreneurial spirit and strong work ethic exhibited by the owners and employees of Hispanic-owned businesses;

(4) the significant gains in international trade made by Hispanic-owned businesses which strongly support expanded trade throughout other countries in the Americas; and

(5) the lasting contributions made by Hispanic-owned businesses to the economic vitality and social stability of families, neighborhoods, and communities across the Nation.

SATELLITE COMPULSORY LICENSE EXTENSION ACT OF 1994

Mr. SARBANES. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 1485, a bill to extend certain satellite carrier compulsory licenses, and for other purposes.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 1485) entitled "An Act to extend certain satellite carrier compulsory licenses, and for other purposes", do pass with the following amendments:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Satellite Home Viewer Act of 1994".

SEC. 2. STATUTORY LICENSE FOR SATELLITE CARRIERS.

Section 119 of title 17, United States Code, is amended as follows:

(1) Subsection (a)(2)(C) is amended—
(A) by striking "90 days after the effective date of the Satellite Home Viewer Act of 1988, or";

(B) by striking "whichever is later,";
(C) by inserting "name and" after "identifying (by)" each place it appears; and

(D) by striking "on or after the effective date of the Satellite Home Viewer Act of 1988,".

(2) Subsection (a)(5) is amended by adding at the end the following:

"(D) BURDEN OF PROOF.—In any action brought under this paragraph, the satellite carrier shall have the burden of proving that its secondary transmission of a primary transmission by a network station is for private home viewing to an unserved household."

(3) Subsection (b)(1)(B) is amended—

(A) in clause (i) by striking "12 cents" and inserting "17.5 cents per subscriber in the case of superstations not subject to syndicated exclusivity under the regulations of the Federal Communications Commission, and 14 cents per subscriber in the case of superstations subject to such syndicated exclusivity"; and

(B) in clause (ii) by striking "3" and inserting "6".

(4) Subsection (c) is amended—

(A) in paragraph (1) by striking "December 31, 1992,";

(B) in paragraph (2)—

(i) in subparagraph (A) by striking "July 1, 1991" and inserting "January 1, 1996"; and

(ii) in subparagraph (D) by striking "December 31, 1994" and inserting "December 31, 1999, or in accordance with the terms of the agreement, whichever is later"; and

(C) in paragraph (3)—

(i) in subparagraph (A) by striking "December 31, 1991" and inserting "July 1, 1996";

(ii) by amending subparagraph (D) to read as follows:

"(D) ESTABLISHMENT OF FAIR MARKET RATES.—In determining royalty fees under this paragraph, the Arbitration Panel shall establish a rate, for the secondary transmission of network stations and superstations, that reflects the fair market value of such secondary transmissions. The Arbitration Panel shall base its decision upon economic, competitive, and programming information presented by the parties, and shall take into account the competitive environment in which such programming is distributed."

(iii) in subparagraph (E) by striking "60" and inserting "180"; and

(iv) in subparagraph (G) by striking "on or until December 31, 1994".

(5) Subsection (a) is amended—

(A) in paragraph (5)(C) by striking "the Satellite Home Viewer Act of 1988" and inserting "this section"; and

(B) by adding at the end the following:

"(8) TRANSITIONAL SIGNAL INTENSITY MEASUREMENT PROCEDURES.—

"(A) IN GENERAL.—Subject to subparagraph (C), upon a challenge by a network station regarding whether a subscriber is an unserved household within the predicted Grade B Contour of the station, the satellite carrier shall, within 60 days after the receipt of the challenge—

"(i) terminate service to that household of the signal that is the subject of the challenge, and within 30 days thereafter notify the network station that made the challenge that service to that household has been terminated; or

"(ii) conduct a measurement of the signal intensity of the subscriber's household to determine whether the household is an unserved household.

"(B) EFFECT OF MEASUREMENT.—If the satellite carrier conducts a signal intensity measurement under subparagraph (A) and the measurement indicates that—

"(i) the household is not an unserved household, the satellite carrier shall, within 60 days after the measurement is conducted, terminate the service to that household of the signal that is the subject of the challenge, and within 30 days thereafter notify the network station that made the challenge that service to that household has been terminated; or

"(ii) the household is an unserved household, the station challenging the service shall reimburse the satellite carrier for the costs of the signal measurement within 60 days after receipt of the measurement results and a statement of the costs of the measurement.

"(C) LIMITATION ON MEASUREMENTS.—(i) Notwithstanding subparagraph (A), a satellite carrier may not be required to conduct signal intensity measurements during any calendar year in excess of 5 percent of the number of subscribers within the network station's local market that have subscribed to the service as of the effective date of the Satellite Home Viewer Act of 1994.

"(ii) If a network station challenges whether a subscriber is an unserved household in excess of 5 percent of the subscribers within the network's station local market within a calendar year, subparagraph (A) shall not apply to challenges in excess of such 5 percent, but the station may conduct its own signal intensity measurement of the subscriber's household. If such measurement indicates that the household is not an unserved household, the carrier shall, within 60 days after receipt of the measurement, terminate service to the household of the signal that is the subject of the challenge and within 30 days thereafter notify the network station that made the challenge that service has been terminated. The carrier shall also, within 60 days after receipt of the measurement and a statement of the costs of the measurement, reimburse the network station for the cost it incurred in conducting the measurement.

"(D) OUTSIDE THE PREDICTED GRADE B CONTOUR.—(i) If a network station challenges whether a subscriber is an unserved household outside the predicted Grade B Contour of the station, the station may conduct a measurement of the signal intensity of the subscriber's household to determine whether the household is an unserved household.

"(ii) If the network station conducts a signal intensity measurement under clause (i) and the measurement indicates that—

"(I) the household is not an unserved household, the station shall forward the results to the satellite carrier who shall, within 60 days after receipt of the measurement, terminate the service to the household of the signal that is the subject of the challenge, and shall reimburse the station for the costs of the measurement within 60 days after receipt of the measurement results and a statement of such costs; or

"(II) the household is an unserved household, the station shall pay the costs of the measurement.

"(9) LOSER PAYS FOR SIGNAL INTENSITY MEASUREMENT; RECOVERY OF MEASUREMENT COSTS IN A CIVIL ACTION.—In any civil action filed relating to the eligibility of subscribing households as unserved households—

"(A) a network station challenging such eligibility shall reimburse the satellite carrier for any signal intensity measurement that is conducted by that carrier in response to a challenge by the network station and that establishes the household is an unserved household; and

"(B) a satellite carrier shall reimburse the network station challenging such eligibility for any signal intensity measurement that is conducted by that station and that establishes the household is not an unserved household.

"(10) INABILITY TO CONDUCT MEASUREMENT.—If a network station makes a reasonable attempt to conduct a site measurement of its signal at a subscriber's household and is denied access for the purpose of conducting the measurement, the satellite carrier shall within 60 days notice thereof, terminate service of the station's network to that household."

(6) Subsection (d) is amended—

(A) by amending paragraph (2) to read as follows:

"(2) NETWORK STATION.—The term 'network station' means—

"(A) a television broadcast station, including any translator station or terrestrial satellite station that rebroadcasts all or substantially all of the programming broadcast by a network station, that is owned or operated by, or affiliated with, one or more of the television networks in the United States which offer an interconnected program service on a regular basis for 15 or more hours per week to at least 25 of its affiliated television licensees in 10 or more States; or

"(B) a noncommercial educational broadcast station (as defined in section 397 of the Communications Act of 1934)."

(B) in paragraph (6) by inserting "and operates in the Fixed-Satellite Service under part 25 of title 47 of the Code of Federal Regulations or the Direct Broadcast Satellite Service under part 100 of title 47 of the Code of Federal Regulations" after "Commission"; and

(C) by adding at the end the following:

"(11) LOCAL MARKET.—The term 'local market' means the area encompassed within a network station's predicted Grade B contour as that contour is defined by the Federal Communications Commission."

SEC. 3. DEFINITIONS.

(a) CABLE SYSTEM.—Section 111(f) of title 17, United States Code, is amended in the paragraph relating to the definition of "cable system" by inserting "microwave," after "wires, cables,".

(b) LOCAL SERVICE AREA.—Section 111(f) of title 17, United States Code, is amended in the paragraph relating to the definition of "local service area of a primary transmitter" by inserting after "April 15, 1976," the following: "or such station's television market as defined in section 76.55(e) of title 47, Code of Federal Regulations (as in effect on September 18, 1993), or any modifications to such television market made, on or after September 18, 1993, pursuant to section 76.55(e) or 76.59 of title 47 of the Code of Federal Regulations,".

SEC. 4. TERMINATION.

(a) EXPIRATION OF AMENDMENTS.—Section 119 of title 17, United States Code, as amended by section 2 of this Act, ceases to be effective on December 31, 1999.

(b) CONFORMING AMENDMENT.—Section 207 of the Satellite Home Viewer Act of 1988 (17 U.S.C. 119 note) is repealed.

SEC. 5. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in subsections (b) and (d), this Act and the amendments made by this Act take effect on the date of the enactment of this Act.

(b) BURDEN OF PROOF PROVISIONS.—The provisions of section 119(a)(5)(D) of title 17, United States Code (as added by section 2(2) of this Act) relating to the burden of proof of satellite carriers, shall take effect on January 1, 1997, with respect to civil actions relating to the eligibility of subscribers who subscribed to service as an unserved household before the date of the enactment of this Act.

(c) TRANSITIONAL SIGNAL INTENSITY MEASUREMENT PROCEDURES.—The provisions of section 119(a)(8) of title 17, United States Code (as added by section 2(5) of this Act), relating to transitional signal intensity measurements, shall cease to be effective on December 31, 1996.

(d) LOCAL SERVICE AREA OF A PRIMARY TRANSMITTER.—The amendment made by section 3(b), relating to the definition of the local service area of a primary transmitter, shall take effect on July 1, 1994.

Mr. SARBANES. Mr. President, I ask unanimous consent that the Senate disagree to the amendments of the House, agree to the request for a conference on the disagreeing votes of the two Houses and the Chair be authorized to appoint conferees on the part of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Presiding Officer (Mr. KERREY) appointed Mr. DECONCINI, Mr. LEAHY, and Mr. HATCH conferees on the part of the Senate.

PASCUA YAQUI INDIANS OF ARIZONA AMENDMENT ACT OF 1994

Mr. SARBANES. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 575, H.R. 734, a bill to provide for the extension of Federal benefits to the Pascua Yaqui Indians; that the committee amendment be agreed to; that the bill be read three times, passed, and the motion to reconsider be laid upon the table; further, that any statements thereon appear in the RECORD at the appropriate place as though read.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the bill (H.R. 734), as amended, was deemed read the third time and passed, as follows:

Resolved, That the bill from the House of Representatives (H.R. 734) entitled "An Act to amend the Act entitled 'An Act to provide for the extension of certain Federal benefits, services, and assistance to the Pascua Yaqui Indians of Arizona, and for other purposes'", do pass with the following amendment:

Page 3, after line 2, insert:

SEC. 2. STUDY.

The Act entitled "An Act to provide for the extension of certain Federal benefits, services, and assistance to the Pascua Yaqui Indians of Arizona, and for other purposes"

(25 U.S.C. 1300f et seq.) is amended by adding at the end the following new section:

"SEC. 4. STUDY.

"(a) IN GENERAL.—The Secretary of the Interior shall conduct one or more studies to determine—

"(1) whether the lands held in trust on the date of enactment of this section by the United States for the Pascua Yaqui Tribe are adequate for the needs of the tribe for the foreseeable future;

"(2) if such lands are not adequate—

"(A) whether suitable additional lands are available for acquisition by exchange or purchase; and

"(B) the cost and location of the suitable additional lands;

"(3) whether the Pascua Yaqui Tribe has sufficient water rights and allocations to meet the needs of the tribe for the foreseeable future;

"(4) if such water rights and allocations are not adequate—

"(A) whether additional water can be acquired; and

"(B) the potential sources and associated costs of such additional water;

"(5) whether the Bureau of Indian Affairs and the Indian Health Service have limited funding to the Pascua Yaqui Tribe based on a determination of the tribal enrollment in 1978, rather than the current enrollment;

"(6) if funding has been based on 1978 enrollment, how the funding levels can be adjusted to ensure that the Pascua Yaqui Tribe receives a fair and equitable portion of Bureau of Indian Affairs and Indian Health Service funding;

"(7) the genealogy of the Pascua Yaqui Tribe; and

"(8) the economic development opportunities available to the tribe as a result of the North American Free Trade Agreement.

"(b) TRIBAL PARTICIPATION.—The Secretary shall provide for the participation of members of the Pascua Yaqui tribe to carry out subsection (a).

"(c) REPORT.—Not later than 2 years after the date on which funds are made available to carry out this section, the Secretary of the Interior shall submit a report to Congress that contains the results of each study conducted pursuant to subsection (a).

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section."

JERRY L. LITTON U.S. POST OFFICE BUILDING ACT OF 1994

Mr. SARBANES. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 563, H.R. 1779, designating the "Jerry L. Litton U.S. Post Office Building" in Chillicothe, MO.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The bill clerk read as follows:

A bill (H.R. 1779) to designate the facility of the United States Postal Service located at 401 South Washington Street in Chillicothe, MO, as the "Jerry L. Litton United States Post Office Building."

The Senate proceeded to consider the bill which had been reported from the Committee on Governmental Affairs, with an amendment, as follows:

(The parts of the bill intended to be inserted are shown in *italic*.)

H.R. 1779

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION.

The facility of the United States Postal Service located at 401 South Washington Street in Chillicothe, Missouri, is designated as the "Jerry L. Litton United States Post Office Building".

SEC. 2. LEGAL REFERENCES.

Any reference in a law, regulation, document, record, map, or other paper of the United States to the facility referred to in section 1 is deemed to be a reference to the "Jerry L. Litton United States Post Office Building".

SEC. 3. TRAVEL AND TRANSPORTATION EXPENSES OF CERTAIN FEDERAL CAREER APPOINTEES.

(a) IN GENERAL.—Section 5724(a)(3) of title 5, United States Code, is amended by striking out "November 27, 1988" and inserting in lieu thereof "November 17, 1988".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in the Technical and Miscellaneous Civil Service Amendments Act of 1992 (Public Law 102-378; 106 Stat. 1346; 5 U.S.C. 1101 note).

Amend the title so as to read: "An Act to designate the facility of the United States Postal Service located at 401 South Washington Street in Chillicothe, Missouri, as the 'Jerry L. Litton United States Post Office Building, and to authorize travel and transportation expenses for certain Federal career appointees, and for other purposes.'"

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

AMENDMENT NO. 2573

(Purpose: To amend title 5, United States Code, to provide for travel and transportation expenses for the family of a career appointee in the Senior Executive Service who dies after transferring in the interest of the Government to an official duty station and who was eligible for an annuity at the time of death)

Mr. SARBANES. Mr. President, on behalf of Senators PRYOR and STEVENS, I send an amendment to the desk. I ask unanimous consent that the amendment be agreed to and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 2573) was agreed to, as follows:

On page 1, insert after line 11, the following new section:

SEC. . TRAVEL AND TRANSPORTATION EXPENSES FOR FAMILY MEMBERS OF CAREER APPOINTEES.

Paragraph (3) of section 5724(a) of title 5, United States Code, is amended to read as follows:

"(3) upon the separation (or death in service) of a career appointee, as defined in section 3132(a)(4) of this title, the travel expenses of that individual (if applicable), the transportation expenses of the immediate family of such individual, and the expenses of moving (including transporting, packing, crating, temporarily storing, draying, and unpacking) the household goods of such individual and personal effects not in excess of

eighteen thousand pounds net weight, to the place where the individual will reside (or, in the case of a career appointee who dies in service or who dies after separating but before the travel, transportation, and moving is completed, to the place where the family will reside) within the United States, its territories or possessions, the Commonwealth of Puerto Rico, or the areas and installations in the Republic of Panama made available to the United States pursuant to the Panama Canal Treaty of 1977 and related agreements, as described in section 3(a) of the Panama Canal Act of 1979, if such individual—

“(A) during or after the five years proceeding eligibility to relieve an annuity under subchapter III of chapter 83, or of chapter 84 of this title, has been transferred in the interest of the Government from one official station to another for permanent duty as a career appointee in the Senior Executive Service or as a director under section 4103(a)(8) of title 38 (as in effect on November 17, 1988); and

“(B) is eligible to receive an annuity upon such separation (or, in the case of death in service, met the requirements for being considered eligible to receive an annuity, as of date of death) under the provisions of subchapter III of chapter 83 or chapter 84 of this title.”

SEC. . EFFECTIVE DATE.

(a) IN GENERAL.—This Act and the amendment made by this Act shall take effect on October 1, 1994, or, if later, the date of the enactment of this Act.

(b) SPECIAL RULE.—

(1) IN GENERAL.—Under regulations prescribed by the President or his designee, an agency shall, as appropriate, pay or make reimbursement for any moving expenses which would be payable under the provisions of section 5724(a)(3) of title 5, United States Code, as amended by section 1 (but which would not have been payable under such provisions, as last in effect before being so amended).

(2) APPLICABILITY.—The moving expenses to which this subsection applies are those incurred by the family of an individual who died—

(i) before separating from Government service; and

(ii) during the period beginning on January 1, 1994, and ending on the effective date of this Act.

(3) CONDITION.—Payment or reimbursement under this subsection may not be made except upon appropriate written application submitted within 12 months after date on which the regulations referred to in paragraph (1) take effect.

Mr. PRYOR. Mr. President, the amendment that I am offering with Senator STEVENS would correct a problem with the statute that controls travel reimbursements for certain Federal employees and their families.

Currently, senior executive service [SES] members are entitled to certain travel expenses for the so-called last move home. However, if an individual dies prior to his or her return home, the immediate family is not eligible to be reimbursed for those expenses. A small number of cases have arisen recently where the widows of career SES members have been denied expenses for returning to their homes after their husbands have died.

The Pryor-Stevens amendment would correct this deficiency by amending

section 5724(a) of title 5, United States Code, to extend agency coverage of travel and transportation expenses for moving household goods and personal effects of eligible SES career employees to the place where the employee will reside, even when the employee dies before actually retiring from Federal service.

The Office of Management and Budget, the Office of Personnel Management, the Department of Veterans Affairs, and the General Services Administration have all informally indicated their support for the amendment. This language has been approved by the House of Representatives as H.R. 4549. I urge my colleagues to support this amendment.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read a third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass?

So the bill (H.R. 1779), as amended, was passed.

Mr. SARBANES. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. COHEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SARBANES. Mr. President, I ask unanimous consent that the title amendment be agreed to and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The title was amended so as to read:

An Act to designate the facility of the United States Postal Service located at 401 South Washington Street in Chillicothe, Missouri, as the “Jerry L. Litton United States Post Office Building”, and to authorize travel and transportation expenses for certain Federal career appointees, and for other purposes.

GUS YATRON POSTAL FACILITY

Mr. SARBANES. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 564, H.R. 3197, designating the Gus Yatron Postal Facility in Reading, PA; that the bill be read three times, passed, and the motion to reconsider laid upon the table; and that any statements relating to this item be placed in the RECORD at the appropriate place as if read.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the bill (H.R. 3197) was deemed read the third time and passed.

GEORGE WASHINGTON NATIONAL FOREST MOUNT PLEASANT SCENIC AREA ACT

Mr. SARBANES. Mr. President, I ask unanimous consent that the Senate proceed to immediate consideration of H.R. 2942, the Mount Pleasant National Scenic Area Act, just received from the House; that the bill be read three times, passed, and the motion to reconsider be laid upon the table; and that any statements relating to this legislation be placed in the RECORD at the appropriate place as if read.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the bill (H.R. 2942) was deemed read the third time and passed.

AUTHORIZING MEDICAL FACILITY CONSTRUCTION PROJECTS FOR THE DEPARTMENT OF VETERANS AFFAIRS

Mr. SARBANES. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 515, S. 2277, a bill to authorize major medical facility construction projects; that the bill be read a third time, passed, that the motion to reconsider be laid upon the table, and that any statements appear at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROCKEFELLER. Mr. President, as chairman of the Committee on Veterans' Affairs, I am delighted that the Senate is considering the pending measure, legislation which authorizes funds for the construction of major medical facility projects and for major medical facility leases for the Department of Veterans Affairs. The Committee on Veterans' Affairs met on June 9, 1994, and voted unanimously to report this bill.

Mr. President, this bill as it comes before the Senate, which I will refer to as the “committee bill,” would authorize funds for major medical facility projects and leases for the Department of Veterans Affairs. The committee must authorize projects for which funds were not appropriated prior to October 9, 1992, or which were not authorized for fiscal year 1994.

The committee bill would authorize funds for the projects and leases requested in the budget of the President for fiscal year 1995. The projects included in the President's budget that require authorization are a medical center with ambulatory care facilities and a nursing home in Brevard County, FL, \$17.2 million in design funds, and a research facility addition at the VA Medical Center, Portland, OR, \$16.1 million.

Projects proposed in the President's fiscal year 1995 budget that have been previously authorized or are grandfathered under the authorization statute are seismic corrections at the VA

Medical Center, Memphis, TN, \$62.3 million; phase one of construction of a medical center to replace the Martinez, CA, facility, \$7.3 million; and a research facility at the VA Medical Center, Huntington, WV, \$9.9 million.

The major medical facility leases proposed in the President's budget and authorized by the committee bill are an outpatient clinic in Ponce, PR, \$1,175,040, and an outpatient clinic in Winston-Salem, NC, \$844,800.

Leases for which funding is requested in the President's fiscal year 1995 budget, but for which authorization is not required, are a residential facility in Hilo, HI, \$457,200; an outpatient expansion in Sacramento, CA, \$345,000; a parking garage in Birmingham, AL, \$546,000; and a health care medical education center in Washington, DC, \$350,000.

The committee bill would also authorize the ambulatory care projects that were proposed in the documents submitted to Congress by the Secretary of Veterans Affairs in conjunction with the budget, to be financed with funds from the Health Care Investment Fund to be established under the proposed Health Security Act. These projects will be crucial to VA's ability to adapt to changing trends in health care practices. They are the lease-purchase of an outpatient clinic in Bay Pines, FL, \$9.6 million; an ambulatory care addition and renovations at the VA Medical Center, Boston, MA, \$48 million; renovation of the Naval Training Center Hospital in Orlando, FL, for use as a VA outpatient clinic and nursing home, \$14 million; an ambulatory care addition at the VA Medical Center, Gainesville, FL, \$17.8 million; an ambulatory care addition at the VA Medical Center, Hampton, VA, \$29.2 million; and an ambulatory care addition and renovations at the VA Medical Center, West Haven, CT, \$48.6 million.

Ambulatory care projects proposed to be constructed through the Investment Fund that do not require authorization are an ambulatory care addition at the VA Medical Center, Columbia, MO \$22.9 million; and an ambulatory care addition and parking garage at San Juan, PR, \$34.8 million.

These projects will enable VA to meet current primary health care needs of veterans more efficiently. The proposal to construct these ambulatory care facilities using funds from the Health Security Act Investment Fund is unacceptable. The Investment Fund was intended to ensure that VA will have the resources needed to compete in a reformed health care environment. The funds set aside for that purpose must remain available for that purpose. The Investment Fund was not intended to be a substitute for an annual construction budget adequate to meet the health care needs of veterans.

Two projects authorized by the committee bill were added by the commit-

tee at markup. These are an ambulatory care project in Phoenix, AZ, costing \$50 million, and a nursing home addition in Charleston, SC, costing \$7.3 million.

The total cost of the projects authorized would be \$395 million. The capitalized value of the leases authorized is \$15.9 million.

The committee bill also authorizes funds for construction of an ambulatory care facility to replace the earthquake-damaged facility in Sepulveda, CA. Funds for this project totaling \$104 million have been made available through the Emergency Supplemental Appropriations Act of 1994. The committee bill includes a provision which would waive the otherwise applicable 90-day waiting period under section 510(b) of title 38 relating to the reorganization of VA facilities.

Mr. President, I thank the members of the committee for their support of the committee bill, and the members of the majority and minority committee staff who worked on this measure. I look forward to working with the House Committee on Veterans' Affairs on these matters, and to final passage of the bill. I urge my colleagues to give their unanimous support to the committee bill as reported.

So the bill (S. 2277) was passed, as follows:

S. 2277

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AUTHORIZATION OF MAJOR MEDICAL FACILITY PROJECTS AND MAJOR MEDICAL FACILITY LEASES.

(a) PROJECTS AUTHORIZED.—The Secretary of Veterans Affairs may carry out the major medical facility projects for the Department of Veterans Affairs, and may carry out the major medical facility leases for that Department, for which funds are requested in the budget of the President for fiscal year 1995. The authorization in the preceding sentence applies to projects and leases which have not been authorized, or for which funds have not been appropriated, in any fiscal year before fiscal year 1995 and to projects and leases which have been authorized, or for which funds were appropriated, in fiscal years before fiscal year 1995.

(b) ADDITIONAL PROJECTS.—(1) In addition to the projects authorized in subsection (a), the Secretary may carry out the following major medical facility projects in the amounts specified for such projects:

(A) The projects that are proposed in the documents submitted to Congress by the Secretary of Veterans Affairs in conjunction with the budget of the President for fiscal year 1995 to be financed with funds from the proposed Health Care Investment Fund.

(B) Construction of a nursing home facility at the Department of Veterans Affairs Medical Center in Charleston, South Carolina, \$7,300,000.

(C) Construction of an outpatient care addition at the Department of Veterans Affairs medical center in Phoenix, Arizona, \$50,000,000.

(2) The authorizations in subparagraphs (A), (B), and (C) of paragraph (1) apply to projects which have not been authorized, or for which funds have not been appropriated,

in any fiscal year before fiscal year 1995 and to projects which have been authorized, or for which funds were appropriated, in fiscal years before fiscal year 1995.

(c) PROJECTS FOR WHICH FUNDS APPROPRIATED.—In addition to the projects authorized in subsections (a) and (b), the Secretary may carry out the following major medical facility projects for which funds were appropriated in chapter 7 of the Emergency Supplemental Appropriations Act of 1994 (title I of Public Law 103-211; 108 Stat. 10) in the amounts specified:

(1) Construction of an ambulatory care/support services facility at the Department of Veterans Affairs Medical Center in Sepulveda, California, \$53,700,000.

(2) Other major medical facility projects required to repair, restore, or replace earthquake-damaged facilities at the Department of Veterans Affairs Medical Center in Sepulveda, California, \$50,000,000.

SEC. 2. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There is authorized to be appropriated to the Secretary of Veterans Affairs for fiscal year 1995—

(1) \$395,000,000 for the major medical facility projects authorized in subsections (a) and (b) of section 1; and

(2) \$15,900,000 for the major medical facility leases authorized in section 1(a).

(b) LIMITATION.—The projects authorized in subsections (a) and (b) of section 1 may only be carried out using—

(1) funds appropriated for fiscal year 1995 pursuant to the authorization of appropriations in subsection (a);

(2) funds appropriated for Construction, Major Projects for a fiscal year before fiscal year 1995 that remain available for obligation; and

(3) funds appropriated for Construction, Major Projects for fiscal year 1995 for a category of activity not specific to a project.

(c) LIMITATION ON CERTAIN PROJECTS.—The projects authorized in subsection (c) of section 1 may only be carried out using—

(1) funds appropriated to the Construction, Major Projects account under chapter 7 of the Emergency Supplemental Appropriations Act of 1994 (title I of Public Law 103-211; 108 Stat. 10) and funds transferred by the President to the Construction, Major Projects account pursuant to chapter 8 of that Act (108 Stat. 14);

(2) funds appropriated to the Medical Care account by chapter 7 of the Emergency Supplemental Appropriations Act of 1994 that are transferred to the Construction, Major Projects account;

(3) funds appropriated to the Construction, Major Projects account for a fiscal year before fiscal year 1994 that remain available for obligation; and

(4) funds appropriated to the Construction, Major Projects account for fiscal year 1994 for a category of activity not specific to a project.

SEC. 3. WAIVER OF CONGRESSIONAL WAITING PERIOD REQUIREMENT FOR A SPECIFIED ADMINISTRATIVE REORGANIZATION.

(a) WAIVER.—The Secretary of Veterans Affairs may undertake the administrative reorganization described in subsection (b) of this section without regard to the waiting period requirement of section 510(b) of title 38, United States Code.

(b) COVERED ADMINISTRATIVE REORGANIZATION.—The administrative reorganization referred to in subsection (a) of this section is a reorganization at the Department of Veterans Affairs Medical Center in Sepulveda, California, necessitated by the January 1994

earthquake damage at that location, as described in the letters dated April 25, 1994, and the accompanying detailed plan and justification, submitted by the Secretary of Veterans Affairs to the chairmen of the Committees on Veterans' Affairs of the Senate and the House of Representatives pursuant to section 510(b) of title 38, United States Code.

VETERANS' CLAIMS ADJUDICATION IMPROVEMENT ACT OF 1994

Mr. SARBANES. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 452, S. 1908, a bill to study the VA system for adjudicating indicating claims for benefits; that the substitute amendment be agreed to; that the bill be read a third time, passed, that the motion to reconsider be laid upon the table, and any statements relating to this bill be printed in the RECORD at the appropriate place as if read.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 1908: VETERANS' CLAIMS ADJUDICATION IMPROVEMENT ACT OF 1994

Mr. ROCKEFELLER. Mr. President, as chairman of the Committee on Veterans' Affairs, I am delighted that the Senate is considering S. 1908, the proposed Veterans' Claims Adjudication Improvement Act of 1994. I urge my colleagues to give their unanimous support to this bill.

Mr. President, S. 1908, which I will refer to as the committee bill, as it comes before the Senate, is derived from four bills—S. 1905, S. 1906, S. 1907, and S. 1908—all of which I introduced on March 8, 1994.

S. 1908, as introduced, was originally cosponsored by committee members DENNIS DECONCINI, BOB GRAHAM, DANIEL K. AKAKA, and THOMAS A. DASCHLE. Senators PAUL WELLSTONE and JEFF BINGAMAN joined later as cosponsors. S. 1908, as introduced, would have required the Administrative Conference of the United States [ACUS] to conduct an 18-month study of the adjudication system of the Department of Veterans Affairs.

S. 1905 was introduced with the cosponsorship of committee members DECONCINI, GRAHAM, AKAKA, DASCHLE, and BEN NIGHTHORSE CAMPBELL. Senator WELLSTONE joined later as a cosponsor. S. 1905 would have made some miscellaneous changes in certain claims procedures, in an effort to help streamline the claims process with respect to those procedures.

S. 1906 was introduced with the cosponsorship of committee members DECONCINI, GRAHAM, AKAKA, and DASCHLE. Senator WELLSTONE joined later as a cosponsor. S. 1906 would have overruled the decision of the United States Court of Veterans Appeals in *Combee v. Principi*, 4 Vet. App. 78 (1993).

S. 1907 was introduced with the cosponsorship of committee members GRAHAM and DASCHLE. Senator WELLSTONE joined later as a cosponsor. S. 1907, as introduced, would have required VA to immediately adjudicate all claims that may be on hold pending final resolution of the issue decided by the U.S. Court of Veterans Appeals in *Gardner v. Derwinski*, 1 Vet. App. 584 (1991), *aff'd sub nom. Gardner v. Brown*, 5 F.3d 1456 (Fed. Cir. 1993), cert. granted, 62 U.S.L.W. 3657 (U.S. Apr. 4, 1994) (No. 93-1128), and to grant those claims that could have been granted under the standard used by VA prior to the original *Gardner* decision.

Mr. President, the committee met on April 14, 1994, and voted unanimously to report S. 1908, with an amendment which incorporated provisions derived from the four bills.

The committee bill includes provisions which would one, require ACUS to conduct a study of the processes and procedures of VA for the disposition of veterans' benefits; two, improve the processing of benefits claims by VA; three, clarify that service connection for disabilities arising from exposure to ionizing radiation may be established by direct evidence; and four, require VA to adjudicate and resolve certain claims related to medical malpractice in the health care services provided by VA.

STUDY OF VA CLAIMS ADJUDICATION

Mr. President, title I of the committee bill, which is derived from S. 1908 as introduced, would require a comprehensive study by the Administrative Conference of the United States of the Department of Veterans Affairs' system for adjudicating benefit claims.

VA's system for processing benefit claims—designed to be informal and nonadversarial—developed over the course of many years prior to the enactment of the Veterans' Judicial Review Act of 1988, Public Law 100-687, which afforded veterans the right to seek judicial review of their VA benefit decisions for the first time in history. Many aspects of this system were intended to be beneficial to veterans, such as procedures related to the development of claims and assistance to the claimant. However, as the court has recognized in numerous decisions, VA did not achieve many of the elements claimed to be an integral part of the system.

The Board of Veterans' Appeals [BVA] currently has a backlog of nearly 40,000 pending cases. In fiscal year 1993, the average time it took BVA to render a decision on appeal was 466 days. However, based on information for both the first and second quarters of fiscal year 1994, BVA estimates that the average response time will be 830 days by September 30, 1994.

In its budget submission for fiscal year 1995, VA reported that for fiscal year 1993, the average response time for

an original compensation claim filed at a VA regional office was 189 days, and 119 days for an original pension claim. VA estimated that for fiscal year 1994, those times would increase to 226 days for a compensation claim and 128 days for a pension claim.

Mr. President, the Veterans' Benefits Administration [VBA] has taken some significant steps internally to reduce the case backlog at the regional offices, which are admirable. However, in order to continue this effort, title I of the committee bill would mandate a comprehensive, 18-month study of the VA claims adjudication system by the Administrative Conference of the United States. The study would involve review of the claims process at the regional office level and the appellate process at BVA. The purpose of the study would be to evaluate the entire system in order to determine the efficiency of its processes and procedures, including the impact of judicial review on the system, means for reducing the backlog of pending cases in the system, and means for improving timeliness and quality of the claims process.

In the course of its evaluation and study, the committee bill would require ACUS to consult with representatives of veterans service organizations and other organizations and entities representing veterans before VA, to include individuals who furnish such representation.

Within 1 year after the date of enactment, ACUS would be required to submit to the Secretary and the committees a preliminary report on the study. Within 18 months following enactment, ACUS would be required to submit a full report on its study to the Secretary and the committees. The report would include: One, the findings and conclusions of ACUS with respect to the study; two, the recommendations of ACUS for improving the VA adjudication system; and three, any other information and recommendations concerning the system that ACUS considers appropriate.

Mr. President, while VA is taking a number of actions internally to improve its adjudication and appeals systems, further improvements could be made. Many of which may require legislation. However, currently we do not have sufficient information available on which to base comprehensive reform of the system. There simply is not enough specific data before the committee on the effect of judicial review on the claims process at the regional offices and on the appellate system at BVA. There must be a more extensive review of the system by an independent entity, and the committee bill would provide for that review. In addition, the report that ACUS would be required to complete, to include recommendations for improving the system, would provide a foundation on

which Congress could base any necessary legislative measures for such improvement.

Mr. President, I strongly believe that the problems currently faced by VBA and BVA will require extensive, long-term solutions. However, such significant actions to reform the system cannot be taken without more considerate analysis of the problems that exist. Such an analysis would appropriately be conducted by an outside body that has no vested interest in the existing system. Prior evaluations of the VA system often have been conducted by VA or by other entities that participate in the Department's adjudication process. Therefore, such reviews can be challenged as not being objective. The committee bill would authorize an objective and independent assessment.

ELIMINATION OF THE REQUIREMENT FOR ANNUAL INCOME QUESTIONNAIRES

Mr. President, section 201 of the committee bill would eliminate the requirement that VA pension recipients file annual income verification reports, thereby making it discretionary for VA to require these reports.

Pension is a needs-based benefit paid to certain veterans and surviving spouses and children. To be eligible for pension, a veteran must be permanently and totally disabled from a non-service-connected disability, meet certain income restrictions, and meet military service requirements. Additional monthly amounts are payable to the veteran on behalf of the veteran's spouse and dependent children. In addition, surviving spouses and children of wartime veterans who meet certain income requirements are eligible for a non-service-connected death pension.

Currently, VA must require annual income reports for purposes of pension eligibility. These income reports must contain information on the individual's annual income for the previous year, the corpus of the individual's estate, the income and estate of any spouse or dependent child, and an estimate of income for the current year and any expected increase in the value of his or her estate. For a surviving child, the report must include this information for any person legally responsible for the support of the child and with whom the child resides.

Additionally, revised reports must be filed with VA whenever there is a change in estimated annual income or the value of the individual's estate.

Mr. President, section 201 of the committee bill would eliminate the statutory requirement for income reports for purposes of pension eligibility. VA would, therefore, have discretionary authority to require the submission of the questionnaires. Because VA now has computer matching programs with the Internal Revenue Service and the Social Security Administration for income verification purposes, the income report is no longer necessary in every case.

DOCUMENTS ACCEPTED AS PROOF OF RELATIONSHIPS

Mr. President, section 202 of the committee bill, which is derived from section 2 of S. 1905, would require VA to accept photocopies of documents as proof of marriage, dissolution of marriage, birth, or death, for purposes of eligibility for dependents' benefits.

Mr. President, under current VA regulations, whenever a document is required to prove a relationship to a veteran, such as a birth or marriage certificate, the claimant must submit a certified copy of that document. Under existing regulations, VA cannot accept as evidence supporting a claim uncertified photocopies of documents necessary to establish marriage, divorce, the annulment of a marriage, birth, the relationship of a child to the veteran, death, or any evidence from a foreign country.

Mr. President, section 202 of the committee bill is a free standing provision that would allow VA to accept photocopies of documents necessary to establish birth, death, marriage, or dissolution of a marriage for purposes of certain VA benefits. This requirement arises primarily in connection with claims benefits to be paid to or on behalf of dependents or survivors of veterans. If there is a question with respect to the validity of the photocopy, the bill would allow VA to require the claimant to submit supporting documentation. This measure would relieve claimants of an unnecessary burden and expedite the decisionmaking process where evidence of this type is involved.

ACCEPTANCE OF PRIVATE PHYSICIAN EXAMINATIONS

Mr. President, section 203 of the committee bill, which is derived from section 3 of S. 1905, would allow VA to accept medical examination reports of private physicians in support of disability claims, thereby eliminating the requirement for a VA examination.

Mr. President, currently, a complete physical examination conducted by a VA hospital or outpatient clinic generally is required for purposes of a claim for disability compensation or pension. VA will accept only a VA examination for determining whether a veteran is disabled or to rate the degree of the veteran's disability.

Mr. President, section 203 of the committee bill is a freestanding provision which would provide VA with the discretion to accept the medical examination report of a private physician as support of a diagnosis of a disability for purposes of either a compensation or pension claim, as well as for purposes of rating the claimant's disability. This would eliminate the current requirement that a veteran undergo an examination by a VA physician to confirm the diagnosis made by a veteran's private physician. The provision would require that such a report include suffi-

cient clinical data to support the diagnosis or provide a reliable basis for a disability rating in an original claim, not just for an increase in degree of disability.

TRANSFER OF MILITARY SERVICE MEDICAL RECORDS

Mr. President, section 204 of the committee bill, derived from section 4 of S. 1905, would require VA to report to Congress on the status of agreements concerning the transfer of military records from the Department of Defense [DOD] to VA immediately after a veteran's separation.

Mr. President, a crucial component of any claim for VA benefits is the veteran's service medical records. The report of the Blue Ribbon Panel on Claims Processing identified problem areas affecting VBA's timeliness and workload backlogs. The panel clearly identified that the response time for requested evidence necessary to develop a claim for benefits, including service medical records, is excessive.

Mr. President, section 204 of the committee bill would require VA to report to the House and Senate Committees on Veterans' Affairs on the status of an agreement between DOD and VA to provide for the immediate transfer of a servicemember's medical records upon discharge from the service. The report would be due to the committees within 90 days after enactment of the statute.

Mr. President, an agreement between DOD and VA covering all branches of service would improve the timeliness of VA's claims processing because a significant amount of time is spent waiting for the transfer of service medical records. Although the committee has received encouraging feedback from VA on this issue, a written report from VA for the record is necessary because no official memorandum of understanding exists between the Secretary of the Navy or the Secretary of the Air Force and the Secretary of Veterans Affairs.

SERVICE CONNECTION FOR CERTAIN DISABILITIES RELATING TO EXPOSURE TO IONIZING RADIATION

Mr. President, section 301 of the committee bill, derived from section 1 of S. 1906, would overrule the decision of the U.S. Court of Veterans Appeals in *Combee v. Principi*, 4 Vet. App. 78 (1933).

Mr. President, in 1984, Congress enacted the Veterans' Dioxin and Radiation Exposure Compensation Standards Act, Public Law 98-542, which required VA to establish standards for adjudicating claims based on exposure to agent orange and radiation. VA adopted regulations to implement the requirements of this law for both types of claims.

In *Combee*, the Court of Veterans Appeals held that a veteran may not establish direct service connection for a condition based on radiation exposure unless the condition is on VA's regulatory list of radiogenic diseases issued pursuant to Public Law 98-542. The

committee believes that the essence of the court's decision is that, by establishing a process in Public Law 98-542 for claims based on radiation exposure, Congress repealed the general compensation law as to such claims. Stated another way, the court's decision seems to stand for the proposition that while providing an avenue by which veterans exposed to radiation might obtain VA benefits, Congress foreclosed these veterans from using the normal route available to all other veterans seeking to establish service connection.

In *Combee*, there was no dispute that the veteran had taken part in a radiation-risk activity, as required under both section 1112 of title 38, United States Code, for purposes of presumptive service connection of the disease, and under the regulation that implements Public Law 98-542 for purposes of proving direct service connection of the disease. However, he sought disability compensation for a condition that was neither on the list of conditions afforded a statutory presumption of service connection based on radiation exposure, nor on the list of diseases considered to be radiogenic by VA for purposes of direct service connection under the regulation. Because the veteran's claim involved a condition that did not appear on either list, the court held that he could not show direct service connection under the general authority available to all other veterans.

The basic theory of service connection, as set forth in sections 1110 and 1131 of title 38, United States Code, requires that a veteran be given an opportunity to submit evidence in support of his or her claim for service connection. This involves a fundamental principle that the veteran must not be summarily prohibited from attempting to prove that the condition is directly related to service. That principle must apply even if the veteran's condition is not a condition Congress or VA automatically recognizes as associated with exposure to an environmental hazard.

Mr. President, section 301 of the committee bill would amend Public Law 98-542 to clarify Congress' intent in enacting the law and to ensure that the general provisions governing disability compensation with respect to claims based on exposure to radiation remain intact and available to all veterans. The amendment to Public Law 98-542 would specify that the regulations adopted by VA under the statute may not prohibit a veteran who served during an eligible period of service from establishing service connection for a disease or disability based on exposure to radiation, under section 1110 or section 1131, even though the veteran's condition is not considered by VA to be a radiogenic disease.

Mr. President, I strongly believe that the court's decision does not accu-

rately reflect the underlying congressional intent of this statute. The legislative history of Public Law 98-542 includes no indication that Congress intended the law to preclude veterans from using the usual means of proving direct service connection if the veteran is able to do so by submitting sufficient supporting evidence. A veteran must always have the opportunity to prove direct service connection. A veteran would face difficulty in trying to demonstrate direct service connection based on radiation exposure for a condition not already recognized as radiogenic, but the opportunity must be available nevertheless.

ADJUDICATION AND RESOLUTION OF CERTAIN CLAIMS RELATING TO MEDICAL MALPRACTICE

Mr. President, section 302 of the committee bill, derived from section 2 of S. 1906, contains a freestanding provision that would require VA to immediately adjudicate all claims that may be on hold pending final resolution of the issue decided by the U.S. Court of Veterans Appeals in *Gardner v. Derwinski*, 1 Vet. App. 584 (1991), aff'd, sub nom. *Brown v. Gardner*, 5 F.3d 1456 (Fed. Cir. 1993), cert. granted, 62 U.S.L.W. 3657 (U.S. Apr. 4, 1994) (No. 93-1128), and to grant those claims that could have been granted under the standard used by VA prior to the original *Gardner* decision.

Mr. President, section 1151 of title 38, United States Code, governs claims for disability compensation or dependency and indemnity compensation for injury or death resulting from care in a VA medical facility or while pursuing a course of vocational rehabilitation. Under this provision, a veteran injured in a VA facility or in vocational rehabilitation can receive monthly disability compensation in the same manner as if he or she were injured during military service. A survivor of a veteran who dies as the result of such an injury can receive monthly DIC payments.

In *Gardner*, the Court of Veterans Appeals found that VA's regulation interpreting this provision was too restrictive and invalidated that regulation. The regulation required that the claimant show "carelessness, negligence, lack of proper skill, error in judgment, or similar instances of indicated fault on the part of VA." The statute, on the other hand, requires no such demonstration. The court held that in issuing the regulation, VA exceeded its statutory authority.

Following the decision of the court, VA placed a moratorium on all denials of claims filed under section 1151, sending interim instructions to VA regional offices. VA appealed the decision to the U.S. Court of Appeals for the Federal Circuit, which affirmed the lower court's decision. On January 11, 1994, VA filed a petition for certiorari with the U.S. Supreme Court which was granted on April 4, 1994. Following VA's petition for certiorari and the Su-

preme Court's grant of the petition, VA issued further instructions to its regional offices reiterating the procedures concerning the suspension of all denials.

Because the moratorium was placed only on denials, VA should continue to allow those claims that would have been granted under the restrictive, invalidated standard. However, the committee has received information from veterans indicating that some VA facilities have suspended all action on section 1151 claims. Therefore, some VA field offices may be failing to grant claims that could be granted under the invalidated standard.

Mr. President, section 302 of the committee bill would require VA to adjudicate all claims filed under section 1151, using the standard under the law existing prior to the decision of the Court of Veterans Appeals in *Gardner*, and grant those claims that could have been allowed under the former VA standard. Those claims that would not have been granted under the prior regulation would continue to be held in abeyance.

The committee bill would ensure that VA fulfills its responsibility to those veterans who have claims based on clear VA negligence or fault, notwithstanding the Federal court decisions on this issue.

Mr. President, the provisions in the pending measure are vitally important. My hope is that, following Senate action, we can work with our colleagues in the House to enact legislation quickly so that veterans may begin to feel the effects of an improved claims adjudication system as soon as possible. They deserve no less. They have a right to the efficient processing of their claims for the benefits they earned through their military service.

Mr. President, I express my deep appreciation to the distinguished ranking Republican member of the Senate committee, Mr. MURKOWSKI, and all other members of the committee.

Mr. President, I am committed to working over the long term to ensure a fair and efficient VA claims process. But in the meantime, I strongly believe the provisions in this bill represent a step in the right direction. I urge all of my Senate colleagues to support this bill and give it unanimous approval.

So the bill (S. 1908), as amended, was passed, as follows:

S. 1908

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Veterans' Claims Adjudication Improvement Act of 1994".

TITLE I—STUDY OF CLAIMS ADJUDICATION

SEC. 101. STUDY OF SYSTEM OF DEPARTMENT OF VETERANS AFFAIRS FOR DISPOSITION OF CLAIMS FOR VETERANS BENEFITS.

(a) IN GENERAL.—The Administrative Conference of the United States shall carry out

a study of the Department of Veterans Affairs system for the disposition of claims for veterans benefits. The Administrative Conference shall carry out the study in accordance with this title.

(b) **PURPOSE OF STUDY.**—The purpose of the study required under this title shall be to evaluate the Department of Veterans Affairs system for the disposition of claims for veterans benefits in order to determine—

(1) the efficiency of processes and procedures under the system for the adjudication, resolution, review, and final disposition of claims for veterans benefits and means of increasing such efficiency, including the effect of judicial review on such system;

(2) means of reducing the number of claims under the system for which final disposition is pending; and

(3) means of enhancing the ability of the Department of Veterans Affairs to dispose of claims under the system in a prompt and appropriate manner.

(c) **CONTENTS OF STUDY.**—The study of the Department of Veterans Affairs system for the disposition of claims for veterans benefits under this title shall include an evaluation and assessment of the following:

(1) The historical development of the system, including the effect on such development of the provision under the Veterans' Judicial Review Act (division A of Public Law 100-687; 102 Stat. 4105) of authority for judicial review of claims disposed of under the system.

(2) The preparation and submission of claims by veterans under the system.

(3) The processes and procedures under the system for the disposition of claims, including—

(A) the scope and nature of the responsibility of the Secretary to assist veterans in the development of claims;

(B) the scope and nature of the hearings provided for at each stage in the claims disposition process under the system (including hearings de novo, hearings before travelling members of the Board of Veterans' Appeals, hearings that are expedited for reason of illness or financial need, and hearings that permit the transmission of evidence or testimony by electronic means);

(C) the scope and nature of the review undertaken with respect to a claim at each stage in the claims disposition process;

(D) the number, Federal employment grade, and experience and qualifications required of the persons undertaking such review at each such stage;

(E) the effect on such review of the obligation of the Secretary to afford claimants with the benefit of the doubt when there is an approximate balance of positive and negative evidence with respect to a claim;

(F) opportunities for the submittal of new evidence; and

(G) the availability of alternative means of disposing of claims.

(4) The effect on the system of the participation of attorneys, members of veterans service organizations, and other advocates on behalf of veterans.

(5) The effect on the system of actions taken by the Secretary to modernize the information management system of the Department, including the utilization of electronic data management systems.

(6) The effect on the system of any work performance standards utilized by the Secretary at regional offices of the Department and at the Board of Veterans' Appeals.

(7) The extent of the implementation in the system of the recommendations of the Blue Ribbon Panel on Claims Processing sub-

mitted to the Committees on Veterans' Affairs of the Senate and House of Representatives on December 2, 1993, and the effect of such implementation on the system.

(8) The effectiveness in improving the system of any pilot programs carried out by the Secretary at regional offices of the Department and of efforts by the Secretary to implement such programs throughout the system.

(9) The effectiveness of the quality control practices and quality assurance practices under the system in achieving the goals of such practices.

(d) **CONSULTATION WITH NON-DEPARTMENT ENTITIES.**—Notwithstanding any other provision of law, the Administrative Conference of the United States shall, upon request, provide opportunities in the conduct of the study under this title for consultation with appropriate representatives of veterans service organizations and of other organizations and entities that represent veterans before the Department of Veterans Affairs.

(e) **COOPERATION OF SECRETARY.**—(1) Not later than 90 days after the date of the enactment of this Act, the Secretary shall submit to the Administrative Conference of the United States, and to the Committees on Veterans' Affairs of the Senate and House of Representatives, such information as the Chairman of the Administrative Conference shall determine necessary to carry out the study required under this title.

(2) The information referred to in paragraph (1) shall include information on the claims disposed of by the Department of Veterans Affairs during the 5-year period ending on September 30, 1993, including the following:

(A) The total number of claims finally disposed of during that period.

(B) The number of claims finally disposed of during each fiscal year of that period.

(C) The number of claims referred to in subparagraph (A) that were allowed by the Secretary solely on the basis of information contained in the initial claim for benefits.

(D) The number of claims referred to in subparagraph (A) that were allowed by a regional office of the Department at each of the various stages in the claims disposition process.

(E) The number of claims referred to in subparagraph (A) that were allowed by the Board of Veterans' Appeals.

(F) The number of claims referred to in subparagraph (E) that were reopened after a final decision by the Board of Veterans' Appeals.

(f) **REPORTS ON STUDY.**—(1) Not later than 1 year after the date of the enactment of this Act, the Administrative Conference of the United States shall submit to the Secretary and the Committees on Veterans' Affairs of the Senate and House of Representatives a preliminary report on the study required under subsection (c). The report shall contain the preliminary findings and conclusions of the Administrative Conference with respect to the evaluation and assessment required under the study.

(2) Not later than 18 months after such date, the Administrative Conference shall submit to the Secretary and to such committees a report on such study. The report shall include the following:

(A) The findings and conclusions of the Administrative Conference, including its findings and conclusions with respect to the matters referred to in subsection (c).

(B) The recommendations of the Administrative Conference for means of improving of the Department of Veterans Affairs system

for the disposition of claims for veterans benefits.

(C) Such other information and recommendations with respect to the system as the Administrative Conference considers appropriate.

(g) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated \$150,000 to the Department of Veterans Affairs for payment to the Administrative Conference of the United States under section 1535 of title 31, United States Code, of the cost of carrying out the study and report required under this title.

(h) **DEFINITIONS.**—For the purposes of this title:

(1) The term "Administrative Conference of the United States" means the Administrative Conference provided for under subchapter V of chapter 5 of title 5, United States Code.

(2) The term "Department of Veterans Affairs system for the disposition of claims for veterans benefits" means the processes and procedures of the Department of Veterans Affairs for the adjudication, resolution, review, and final disposition of claims for benefits under the laws administered by the Secretary.

(3) The term "Secretary" means the Secretary of Veterans Affairs.

(4) The term "veterans service organizations" means any organization approved by the Secretary under section 5902(a) of title 38, United States Code.

TITLE II—IMPROVEMENTS TO CLAIMS ADJUDICATION

SEC. 201. ELIMINATION OF REQUIREMENT FOR ANNUAL INCOME QUESTIONNAIRES.

Section 1506 of title 38, United States Code, is amended—

(1) in paragraph (2), by striking out "shall" and inserting in lieu thereof "may"; and

(2) in paragraph (3), by striking out "file a revised report" and inserting in lieu thereof "notify the Secretary".

SEC. 202. DOCUMENTS TO BE ACCEPTED AS PROOF OF RELATIONSHIPS.

Notwithstanding any other provision of law, the Secretary of Veterans Affairs shall accept from a claimant a photocopy of an appropriate document as proof of the existence of a marriage, the dissolution of a marriage, the birth of a child, or the death of any family member for the purpose of acting on such individual's claim for benefits under any law administered by the Secretary. The Secretary may require the submission of additional documentation in support of any document submitted pursuant to this section if the document on its face raises a question as to its validity, or there is reasonable indication, in the document or otherwise, of fraud or misrepresentation.

SEC. 203. ACCEPTANCE OF PRIVATE PHYSICIAN EXAMINATIONS.

Notwithstanding any other provision of law, for purposes of establishing a claim for disability compensation under chapter 11 of title 38, United States Code, or a claim for pension under chapter 15 of such title, a medical examination report of a private physician provided by a claimant in support of a claim for benefits may be accepted without confirmation by an examination by a physician employed by the Veterans Health Administration if such report contains sufficient clinical data to support the diagnosis of a disability or to provide a reliable basis for an evaluation of the degree of any such disability.

SEC. 204. TRANSFER OF MILITARY SERVICE MEDICAL RECORDS.

Not later than 90 days after the date of the enactment of this Act, the Secretary of Veterans Affairs shall submit to the Committees

on Veterans' Affairs of the Senate and House of Representatives a report setting forth the status of an agreement between the Secretary and the Secretary of Defense to provide for the immediate transfer from the Department of Defense to the Department of Veterans Affairs of the medical records of members of the Armed Forces upon the separation of such members from active duty.

TITLE III—MISCELLANEOUS

SEC. 301. SERVICE CONNECTION FOR CERTAIN DISABILITIES RELATING TO EXPOSURE TO IONIZING RADIATION.

Section 5 of the Veterans' Dioxin and Radiation Exposure Compensation Standards Act (Public Law 98-542; 98 Stat. 2725; 38 U.S.C. 1154 note) is amended by adding at the end the following new subsection:

"(d) The regulations prescribed under this section may not prohibit, or be construed to prohibit, a veteran from establishing pursuant to section 1110 or 1131 of title 38, United States Code, service connection for a disease or disability that the veteran claims to be the result of the veterans' exposure to ionizing radiation during a period of service referred to in subsection (a)(1), notwithstanding that such regulations do not specify that the disease or disability is a radiogenic disease."

SEC. 302. ADJUDICATION AND RESOLUTION OF CERTAIN CLAIMS RELATING TO MEDICAL MALPRACTICE.

(a) ADJUDICATION AND RESOLUTION OF CLAIMS.—The Secretary of Veterans Affairs shall—

(1) take appropriate actions to determine whether the injury (or aggravation of an injury) of any veteran as the result of the treatment of the veteran was the result of medical malpractice on the part of the Department of Veterans Affairs (and not of the veteran's own willful misconduct); and

(2) in the case of any injury so determined, provide appropriate compensation to the veteran in accordance with section 1151 of title 38, United States Code.

(b) STATEMENT OF INTENT AND CONSTRUCTION.—Congress enacts the requirement set forth in subsection (a) in order to ensure the adjudication and resolution of certain claims following the decision in *Gardner v. Derwinski*, 1 Vet. App. 584 (1991), *aff'd*, sub nom. *Brown v. Gardner*, 5 F.3d 1456 (Fed. Cir. 1993), cert. granted, 62 U.S.L.W. 3657 (U.S. Apr. 4, 1994) (No. 93-1128). The requirement may not be construed as an expression of Congressional intent to limit the claims subject to adjudication under section 1151 of title 38, United States Code, to claims related to injuries resulting from medical malpractice.

(c) DEFINITIONS.—In this section:

(1) The term "treatment", in the case of a veteran, means any examination, hospitalization, medical or surgical treatment, or course of vocational rehabilitation under chapter 31 of title 38, United States Code, that is provided to the veteran by the Department of Veterans Affairs.

(2) The term "medical malpractice" means any carelessness, negligence, error in judgment, lack of proper medical skill, or similar instance of indicated fault in the treatment of a veteran.

APPOINTMENT BY THE PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The Chair, on behalf of the President pro tempore and in consultation with the chairman of the Finance Committee,

pursuant to Public Law 103-296, appoints Lori L. Hansen, of Michigan, to a 6-year term to the Social Security Advisory Board.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT ON ACTIVITIES OF THE DEPARTMENT OF LABOR AND THE DEPARTMENT OF HEALTH AND HUMAN SERVICES FOR FISCAL YEAR 1991—MESSAGE FROM THE PRESIDENT—PM 141

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Labor and Human Resources.

To the Congress of the United States:

In accordance with section 26 of the Occupational Safety and Health Act of 1970 (Public Law 91-596; 29 U.S.C. 675), I transmit herewith the 1991 annual reports on activities of the Department of Labor and the Department of Health and Human Services. These reports were prepared by, and cover activities occurring exclusively during the previous Administration.

WILLIAM J. CLINTON.

THE WHITE HOUSE, August 19, 1994.

REPORT ON CONTINUATION OF EXPORT CONTROL REGULATIONS—MESSAGE FROM THE PRESIDENT—PM 142

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs.

To the Congress of the United States:

Pursuant to section 204(b) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(b), I hereby report to the Congress that I have today exercised the authority granted by this Act to continue in effect the system of controls contained in 15 C.F.R., Parts 768-799, including restrictions on participation by U.S. persons

in certain foreign boycott activities, which heretofore have been maintained under the authority of the Export Administration Act of 1979, as amended, 50 U.S.C. App. 2401 *et seq.* In addition, I have made provision for the administration of section 38(e) of the Arms Export Control Act, 22 U.S.C. 2778(e).

The exercise of this authority is necessitated by the expiration of the Export Administration Act on August 20, 1994, and the lapse that would result in the system of controls maintained under that Act.

In the absence of controls, foreign parties would have unrestricted access to U.S. commercial products, technology, technical data, and assistance, posing an unusual and extraordinary threat to national security, foreign policy, and economic objectives critical to the United States. In addition, U.S. persons would not be prohibited from complying with certain foreign boycott requests. This would seriously harm our foreign policy interests, particularly in the Middle East.

Controls established in 15 C.F.R. 768-799, and continued by this action, include the following:

- National security export controls aimed at restricting the export of goods and technologies, which would make a significant contribution to the military potential of certain other countries and which would prove detrimental to the national security of the United States.

- Foreign policy controls that further the foreign policy objectives of the United States or its declared international obligations in such widely recognized areas as human rights, antiterrorism, regional stability, missile technology nonproliferation, and chemical and biological weapons nonproliferation.

- Nuclear nonproliferation controls that are maintained for both national security and foreign policy reasons, and which support the objectives of Nuclear Nonproliferation Act.

- Short supply controls that protect domestic supplies, and antiboycott regulations that prohibit compliance with foreign boycotts aimed at countries friendly to the United States.

Consequently, I have issued an Executive order (a copy of which is attached) to continue in effect all rules and regulations issued or continued in effect by the Secretary of Commerce under the authority of the Export Administration Act of 1979, as amended, and all orders, regulations, licenses, and other forms of administrative actions under the Act, except where they are inconsistent with sections 203(b) and 206 of the International Emergency Economic Powers Act (IEEPA). In this Executive order I have also revoked the previous Executive Order No. 12923 of

June 30, 1994, invoking IEEPA authority for the prior lapse of the Export Administration Act of 1979, as amended, extended on July 5, 1994, by Public Law 103-277.

The Congress and the Executive have not permitted export controls to lapse since they were enacted under the Export Control Act of 1949. Any termination of controls could permit transactions to occur that would be seriously detrimental to the national interests we have heretofore sought to protect through export controls and restrictions on compliance by U.S. persons with certain foreign boycotts. I believe that even a temporary lapse in this system of controls would seriously damage our national security, foreign policy, and economic interests and undermine our credibility in meeting our international obligations.

The countries affected by this action vary depending on the objectives sought to be achieved by the system of controls instituted under the Export Administration Act. Potential adversaries may seek to acquire sensitive U.S. goods and technologies. Other countries serve as conduits for the diversion of such items. Still other countries have policies that are contrary to U.S. foreign policy or nonproliferation objectives, or foster boycotts against friendly countries. For some goods or technologies, controls could apply even to our closest allies in order to safeguard against diversion to potential adversaries.

WILLIAM J. CLINTON.

THE WHITE HOUSE, August 19, 1994.

REPORT OF THE ACTIVITIES OF THE U.S. GOVERNMENT IN THE UNITED NATIONS DURING CALENDAR YEAR 1993—MESSAGE FROM THE PRESIDENT—PM 143

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Foreign Relations.

To the Congress of the United States:

I am pleased to transmit herewith a report of the activities of the United States Government in the United Nations and its affiliated agencies during the calendar year 1993. The report is required by the United Nations Participation Act (Public Law 264, 79th Congress; 22 U.S.C. 287b).

WILLIAM J. CLINTON.

THE WHITE HOUSE, August 19, 1994.

MESSAGES FROM THE HOUSE

At 3:29 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker appoints as additional conferees in the conference on the disagreeing votes of the two Houses on the amendments of the

House to the amendment of the Senate to the bill (H.R. 3355) entitled "An Act to amend the Omnibus Crime Control and Safe Streets Act of 1968 to allow grants to increase police presence, to expand and improve cooperative efforts between law enforcement agencies and members of the community to address crime and disorder problems, and otherwise to enhance public safety," the following individuals: Mrs. SCHROEDER, Mr. FRANK of Massachusetts, and Mr. CASTLE.

ENROLLED BILLS SIGNED

The following enrolled bills, previously signed by the Speaker of the House, were signed by the President pro tempore (Mr. BYRD):

H.R. 2947. An act to extend for an additional 2 years the authorization of the Black Revolutionary War Patriots Foundation to establish a memorial.

H.R. 4790. An act to designate the U.S. courthouse under construction in St. Louis, MO, as the "Thomas F. Eagleton United States Courthouse."

MEASURES REFERRED

The Committee on Environment and Public Works was discharged from further consideration of the following measure which was referred to the Committee on Finance:

S. 1834. A bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-3231. A communication from the Secretary of Agriculture, transmitting, pursuant to law, the Horse Protection Enforcement report for fiscal year 1993; to the Committee on Agriculture, Nutrition, and Forestry.

EC-3232. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, the report relative to certain properties with the Panama Canal Treaty and its related agreements; to the Committee on Armed Services.

EC-3233. A communication from the Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report on the implementation of the Waste Isolation Pilot Plant Land Withdrawal Act; to the Committee on Energy and Natural Resources.

EC-3234. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, the report of a Presidential determination relative to Jamaica; to the Committee on Foreign Relations.

EC-3235. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, notice relative to emergency assistance for the disaster in Rwanda; to the Committee on Foreign Relations.

EC-3236. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, the report of a Presidential determination relative to Foreign Military Financing Funds; to the Committee on Foreign Relations.

EC-3237. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, the report of a Presidential determination relative to Palestinian refugees; to the Committee on Foreign Relations.

EC-3238. A communication from the Assistant Legal Adviser (Treaty Affairs), Department of State, transmitting, pursuant to law, the report of the texts of agreements; to the Committee on Foreign Relations.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-634. A resolution adopted by the Senate of the Legislature of the State of New York; to the Committee on Finance.

"SENATE RESOLUTION 4111

"Whereas, The Customs Modernization and Informed Compliance Act, which was passed in 1993 as part of the North Atlantic Free Trade Agreement, will affect U.S. Customs Commercial Operations throughout the nation; and

"Whereas, Clinton County is strategically located with Plattsburgh and the Port of Champlain located within 40 miles of Montreal; and

"Whereas, Clinton County's location offers unique accessibility to major Canadian cities such as Montreal, Ottawa and Quebec City as well as to cities such as Boston and New York City in the northeastern United States, in the heart of a trading region of more than 80 million people; and

"Whereas, Clinton County offers an attractive lifestyle as well as a pool of qualified, well-educated employees, many of whom are graduates of the State University of New York at Plattsburgh; and

"Whereas, The Customs Operations already located in Clinton County on the border between the United States and Canada are a major contributor to the economy of the county; and

"Whereas, Six Informed Compliance Centers to be located along the northern border have been proposed; and

"Whereas, The Port of Champlain is annually one of the most active, if not the most active, border crossings of the United States-Canadian border, with more than 500,000 entries processed in its sector each year; and

"Whereas, This volume of customs activity essentially requires that an Informed Compliance Center be located so as to serve this activity with maximum convenience; now, therefore, be it

Resolved, That this Legislative Body pause in its deliberations to urge that serious consideration be given to locating an Informed Compliance Center in Clinton County by the United States Congress and the United States Customs Service; and be it further

Resolved, That copies of this Resolution, suitably engrossed, be transmitted to President William J. Clinton, the speaker of the United States House of Representatives, the Majority Leader of the Senate, the Commissioner of the United States Customs Service, Senator D'Amato, Senator Moynihan and Representative John McHugh."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation, without amendment:

S. 1692. A bill to authorize the Secretary of Transportation to issue a certificate of documentation for the vessel *Big Guy* (Rept. No. 103-341).

S. 2043. A bill to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel *Bagger* (Rept. No. 103-342).

S. 2198. A bill to authorize a certificate of documentation for the vessel *Serenity* (Rept. No. 103-343).

S. 2199. A bill to authorize a certificate of documentation for the vessel *Emerald Ayes* (Rept. No. 103-344).

S. 2318. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Endeavour* (Rept. No. 103-345).

By Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation, with an amendment:

S. 2333. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Shamrock V* (Rept. No. 103-346).

By Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation, without amendment:

S. 2339. A bill to authorize a certificate of documentation for the vessel *Why Knot* (Rept. No. 103-347).

S. 2355. A bill to authorize a certificate of documentation for the vessel *Empress* (Rept. No. 103-348).

By Mr. BAUCUS, from the Committee on Environment and Public Works, with an amendment:

S. 1834. A bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and for other purposes (Rept. No. 103-349).

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 2104. A bill to establish within the National Laboratories of the Department of Energy a national Albert Einstein Distinguished Educator Fellowship Program (Rept. No. 103-350).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Ms. MOSELEY-BRAUN:

S. 2408. A bill to amend the Internal Revenue Code of 1986 to provide for the nonrecognition of gain on long-term real property which is involuntarily converted as the result of the exercise of eminent domain, without regard to whether the replacement property is similar or of like kind; to the Committee on Finance.

By Mr. DURENBERGER:

S. 2409. A bill for the relief of D.W. Jacobson, Ronal Karkala, and Paul Bjorgen of Grand Rapids, MN; to the Committee on the Judiciary.

By Mr. GRAMM (for himself, Mr. SHELBY, Mr. CRAIG, Mr. BURNS, and Mr. KEMPTHORNE):

S. 2410. A bill to provide appropriate protection for the constitutional guarantee of private property rights, and for other purposes; to the Committee on Governmental Affairs.

By Mr. DOLE (for himself, Mr. LAUTENBERG, Mr. SIMPSON, Mr. LIEBERMAN, and Mr. WOFFORD):

S. 2411. A bill to amend title 10, United States Code, to establish procedures for determining that status of certain missing members of the Armed Forces and certain civilians, and for other purposes; to the Committee on Armed Services.

By Mrs. KASSEBAUM (for herself and Mr. DOLE):

S. 2412. A bill to provide for the establishment of the Tallgrass Prairie National Preserve in Kansas, and for other purposes; to the Committee on Energy and Natural Resources.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DURENBERGER:

S. Res. 250. A resolution to refer S. 2409 entitled "A bill for the relief of D.W. Jacobson, Ronal Karkala, and Paul Bjorgen of Grand Rapids, Minnesota" to the chief judge of the United States Court of Federal Claims for a report thereon; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Ms. MOSELEY-BRAUN:

S. 2408. A bill to amend the Internal Revenue Code of 1986 to provide for the nonrecognition of gain on long-term real property which is involuntarily converted as the result of the exercise of eminent domain, without regard to whether the replacement property is similar or of like kind; to the Committee on Finance.

EMINENT DOMAIN LEGISLATION

• Ms. MOSELEY-BRAUN. Mr. President, eminent domain is the inherent and necessary right of every nation to take private property to promote the general welfare. This attribute of governmental sovereignty is important because it allows the U.S. Federal Government to build roads, highways, and bridges which benefit all Americans.

Nonetheless, under the current Tax Code, the involuntary conversion of property through eminent domain forces landowners to make a difficult choice: they must either pay the tax on their capital gain that year, or defer the tax for up to 3 years by investing the gain in like-kind property.

In effect, the Tax Code forces individuals to search for similar land in which to invest their gain, although many of them would prefer to reinvest their gain in a home, a stock portfolio, or a retirement investment fund.

I firmly believe that it is unfair and unreasonable to force landowners, who were unwilling sellers in the first

place, to search for identical property, or suffer severe tax consequences.

The legislation I am introducing today would address this problem by allowing landowners who own real property for 10 years or more, and whose property is taken by eminent domain, to reinvest that gain in any investment and defer the capital gains tax for up to 3 years.

This legislation will restore some fairness to our Tax Code for these unwilling sellers. More specifically, it will give the residents of St. Clair County, whose property has been acquired for the development of the joint-use airport at Scott Air Force Base, more flexibility as they make their decisions on what to do after their property is sold to the county.

I urge my colleagues to help me create a fairer Tax Code for our Nation's taxpayers by supporting this legislation.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2408

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. NONRECOGNITION TREATMENT FOR CERTAIN REAL PROPERTY INVOLUNTARILY CONVERTED AS RESULT OF EXERCISE OF EMINENT DOMAIN.

(a) IN GENERAL.—Section 1033 of the Internal Revenue Code of 1986 (relating to involuntary conversions) is amended by redesignating subsection (i) as subsection (j), and by inserting after subsection (h) the following new subsection:

"(i) CONDEMNATION OF REAL PROPERTY HELD FOR AT LEAST 10 YEARS.—For purposes of subsection (a), if real property held by the taxpayer for at least 10 years is (as the result of its seizure, requisition, or condemnation, or threat or imminence thereof) compulsorily or involuntarily converted, any other property shall (at the election of the taxpayer) be treated as property similar or related in service or use to the property so converted."

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to dispositions of converted property occurring on or after October 1, 1991. •

By Mr. DURENBERGER:

S. 2409. A bill for the relief of D. W. Jacobson, Ronal Karkala, and Paul Bjorgen of Grand Rapids, MN; to the Committee on the Judiciary.

PRIVATE RELIEF LEGISLATION

• Mr. DURENBERGER. Mr. President, I am introducing today a private relief bill S. 2409, in behalf of partners of Norwood Manufacturing, Inc., of Grand Rapids, MN, a company which has been dissolved. A companion resolution, Senate Resolution 250 has been submitted which will request the U.S. Court of Claims to review a dispute between the partners of the dissolved company and the U.S. Postal Service.

On May 26, 1987, Norwood Manufacturing was awarded a contract by the

U.S. Postal Service to manufacture wooden nestable pallets. This contract award itself occurred only after Norwood was forced to threaten legal action to compel the award of the contract to Norwood, the low bidder, and not to the second lowest bidder, a company which had a prior relationship with the Postal Service.

To make a long and complicated story very short, 8 months after awarding Norwood the contract, on February 9, 1988, the U.S. Postal Service informed Norwood that it was terminating the contract for default. Even though Norwood had met the delivery schedule, the Postal Service initially decided to terminate the contract for failure to make timely deliveries. When it appeared that this was not a legitimate claim, the Postal Service indicated that Norwood's pallets did not meet specification. The Postal Service asserted this failure to meet specification even though Norwood's norwood pallets passed all of the tests required under the contract. The result of this decision forced the company to dissolve, leaving the small businessmen who owned and operated Norwood in debt.

Norwood disputes the Postal Service's claim that their nestable pallets did not meet the specifications and can present evidence from the Postal Service's own inspectors that supports this contention.

The company contested the Postal Service's decision in the U.S. Court of Claims. On August 10, 1990, the Court of Claims ruled against Norwood in a summary judgement; the U.S. Circuit Court of Appeals affirmed the Court of Claims without any explanation or opinion. I am told that the Court of Claims ruling came as a surprise to both the Postal Service and their lawyers in the Department of Justice. In fact, I am told that the Justice Department lawyers had already indicated to Norwood a desire to discuss a settlement of the matter as soon as the Court of Claims denied the Postal Service's motion for summary judgement. Naturally, when the judge ruled in favor of the Postal Service the Justice Department saw no need to further negotiate a settlement.

Thus, Mr. President, I do not believe that Norwood had an adequate review of what I admit is a very complex dispute. This is why I believe it is imperative that the Court of Claims review this matter pursuant to a congressional reference case. It is very important that equity be achieved by a review of the evidence. The Court of Claims would do this upon passage of Senate Resolution 250 and report back to the Congress to enable us to then consider the private relief bill for Norwood partners.

I urge my colleagues on the Judiciary Committee to consider and pass Senate Resolution 250 before the Octo-

ber adjournment date to enable the review to begin and thank them for any cooperation they can give me on this important matter.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2409

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. The Secretary of the Treasury shall pay, out of any money in the Treasury not otherwise appropriated, the sum of \$3,391,404.50 jointly to D.W. Jacobson, Ronal Karkala, and Paul Bjorgen of Norwood Manufacturing, Inc. (now dissolved) of Grand Rapids, Minnesota, for damages incurred relating to the termination of a contract with the United States Postal Service for the manufacture of wooden pallets.

SEC. 2. (a) The payment made pursuant to the first section of this Act shall constitute full settlement of all legal and equitable claims by D.W. Jacobson, Ronal Karkala, and Paul Bjorgen of Norwood Manufacturing, Inc. (now dissolved) of Grand Rapids, Minnesota, against the United States.

(b) Nothing in this Act shall be construed as an inference of liability on the part of the United States.

SEC. 3. No part of the amount appropriated in this Act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this Act, and the same shall be unlawful, any contract to the contrary notwithstanding. Violation of the provisions of this section is a misdemeanor punishable by a fine not to exceed \$1,000.

By Mr. GRAMM (for himself, Mr. SHELBY, Mr. CRAIG, Mr. BURNS, and Mr. KEMPTHORNE):

S. 2410. A bill to provide appropriate protection for the constitutional guarantee of private property rights, and for other purposes; to the Committee on Governmental Affairs.

THE PRIVATE PROPERTY RIGHTS RESTORATION ACT

Mr. GRAMM. Mr. President, "we see no reason why the takings clause of the fifth amendment, as much a part of the Bill of Rights as the first amendment or fourth amendment, should be relegated to the status of a poor relation". With these words in the recent landmark Supreme Court decision *Dolan versus City of Tigard*, Chief Justice Rehnquist correctly points out the near evisceration of one of the most fundamental rights upon which our Nation was founded. Sadly, with all the talk we hear about rights in America today the fundamental freedom to acquire, use, and dispose of private property has become a poor relation. In fact, it has very nearly been drummed out of the family because of the Federal Government's relentless assault on private property.

The Founding Fathers were keenly aware of the critical importance of private property, so much so that they

provided in the Bill of Rights that "private property—shall not—be taken for public use without just compensation." Indeed, the courts have been very clear that if the Government builds a highway across your property, it must provide you just compensation. However, one form of taking which has become more common than condemnation is the regulatory taking. This occurs when the Government imposes such stringent controls on the use of private property that its value is eroded or destroyed.

Two examples of regulatory takings are Government regulation of wetlands and endangered species. All over the country under wetlands provisions, entire counties or significant portions of coastal land in States such as Texas and Maryland have found that the ability of people to use their property was dramatically restricted because a Government bureaucrat redefined what would qualify as a wetland. In the woods of east Texas, if a red-cockaded woodpecker landed in your trees, you could suddenly be threatened with a Government taking that barred you from cutting your own trees. Similarly in the Pacific Northwest property owners have found that because an owl was nesting in their woods, they can no longer harvest their trees. The impact of these regulatory actions on jobs, the economy, family well-being, and individual freedom has been enormous.

To help revive this important freedom, I have introduced the Private Property Rights Restoration Act, which will restore the constitutional mandate that just compensation be paid when Government action reduces private property value. This bill will safeguard the rights of individuals whose land is taken by Government regulations or policies that reduce the value of the property or rob it of all value. The legislation would protect against Government action which significantly reduces a property's value and requires compensation when such action reduces property value by at least 25 percent or \$10,000. However, such protections will not be extended to uses of property which are judged to be a public nuisance or which will harm the public. The payment of compensation and legal fees for property owners who successfully plead their case in court must be paid with funds from the budget of the agency issuing the regulation.

Mr. President, I will work toward passage of this legislation to help every American whose property rights are being ignored or threatened by the Federal Government. I hope we can work together to restore private property rights and to bring the fifth amendment back into the family of the Bill of Rights on behalf of the people who own property, who till the soil, who produce the goods and services in our country, and who do the work, pay the taxes, and pull the wagon.

I ask unanimous consent that a one page description of the legislation and the bill itself be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2410

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Private Property Rights Restoration Act".

SEC. 2. PRIVATE PROPERTY RIGHTS RESTORATION.

(a) CAUSE OF ACTION.—(1) The owner of any real property shall have a cause of action against the United States if—

(A) the application of a statute, regulation, rule, guideline, or policy of the United States restricts, limits, or otherwise infringes a right to real property that would otherwise exist in the absence of such application; and

(B) such application described under subparagraph (A) would result in a discrete and non-negligible reduction in the fair market value of the affected portion of real property.

(2) Notwithstanding paragraph (1)(B), a prima facie case against the United States shall be established if the Government action described under paragraph (1)(A) results in a temporary or permanent diminution of fair market value of the affected portion of real property of the lesser of—

(A) 25 percent or more; or

(B) \$10,000 or more.

(b) JURISDICTION.—An action under this Act shall be filed in the United States Court of Federal Claims which shall have exclusive jurisdiction.

(c) RECOVERY.—In any action filed under this Act, the owner may elect to recover—

(1) a sum equal to the diminution in the fair market value of the portion of the property affected by the application of a statute, regulation, rule, guideline, or policy described under subsection (a)(1)(A) and retain title; or

(2) the fair market value of the affected portion of the regulated property prior to the government action and relinquish title to the portion of property regulated.

(d) PUBLIC NUISANCE EXCEPTION.—(1) No compensation shall be required by virtue of this Act if the owner's use or proposed use of property amounts to a public nuisance as commonly understood and defined by background principles of nuisance and property law, as understood under the law of the State within which the property is situated.

(2) To bar an award of damages under this Act, the United States shall have the burden of proof to establish that the use or proposed use of the property is a public nuisance as defined under paragraph (1) of this subsection.

SEC. 3. APPLICATION; STATUTE OF LIMITATIONS.

(a) APPLICATION.—This Act shall apply to the application of any statute, regulation, guideline, or policy to real property, if such application occurred or occurs on or after January 1, 1994.

(b) STATUTE OF LIMITATIONS.—The statute of limitations for actions brought under this Act shall be 6 years from the application of any statute, regulation, rule, guideline, or policy of the United States to any affected parcel of property under this Act.

SEC. 4. AWARD OF COSTS; LITIGATION COSTS.

(a) IN GENERAL.—The court, in issuing any final order in any action brought under this

Act, shall award costs of litigation (including reasonable attorney and expert witness) to any prevailing plaintiff.

(b) PAYMENT.—All awards or judgments for plaintiff, including recovery for damages and costs of litigation, shall be paid out of funds of the agency or agencies responsible for issuing the statute, regulation, rule, guideline or policy affecting the reduction in the fair market value of the affected portion of property. Payments shall not be made from a judgment fund.

SEC. 5. CONSTITUTIONAL OR STATUTORY RIGHTS NOT RESTRICTED.

Nothing in this Act shall restrict any remedy or any right which any person (or class of persons) may have under any provision of the United States Constitution or any other law.

PRIVATE PROPERTY RIGHTS RESTORATION ACT

Section 1. SHORT TITLE: "PRIVATE PROPERTY RIGHTS RESTORATION ACT"

Section 2. PRIVATE PROPERTY RIGHTS RESTORATION:

(a) CAUSE OF ACTION.—

(1) The owner of any real property (land) may sue the U.S. Government if (A) any governmental action identified in the Act infringes a persons right to their property; and, (B) that infringement significantly reduces the fair market value of the affected portion of property.

(2) A property owner may sue the U.S. government if the government action causes a temporary or permanent diminution of fair market value of the affected portion of real property of at least 25 percent or \$10,000.

(b) JURISDICTION.—The U.S. Court of Federal Claims is established as the court of jurisdiction for claims brought forth under this Act.

(c) RECOVERY.—Property owners may choose among two options to seek reimbursement for government actions which result in takings:

(1) The amount of diminution in value of the portion of property affected by the government action and retain title; or

(2) Fair market value of the affected portion of the regulated property prior to government action and relinquish title to such regulated property.

(d) PUBLIC NUISANCE EXCEPTION.—Ensures that no compensation is awarded if the use to which the property owner puts the property is judged to be a public nuisance.

Section 3. APPLICATION; STATUTE OF LIMITATIONS:

(a) APPLICATION.—The bill applies to real property affected by governmental actions which occur on or after January 1, 1994.

(b) STATUTE OF LIMITATIONS.—The statute of limitations for actions brought forth under this legislation is limited to 6 years after application of the regulatory action to the affected property.

Section 4. AWARD OF COSTS; LITIGATION COSTS:

(a) Includes litigation costs in court award.

(b) Requires payment for court awards from agency budgets of the agency responsible for the government action, rather than a judgement fund.

Section 5. CONSTITUTIONALITY OR STATUTORY RIGHTS NOT RESTRICTED:

Ensures that the bill does not preclude any other remedy property owners may seek.

Mr. BURNS. Mr. President, the value of your property is directly dependent on your ability to use that land. This is of great concern to many folks in Montana. And I am pleased to join Senator GRAMM of Texas in introducing the Private Property Rights Restoration Act.

Private property rights are protected by the fifth amendment of the Constitution which states "nor shall private property be taken for public use, without just compensation." Yet, many laws and government regulations have been encroaching further and further on this right because people in Washington do not respect or understand the importance of maintaining this right.

The bill we are introducing today deals with private property and government regulations. This bill protects property owners when government regulations or policies reduce the value of that property. The bill also establishes a U.S. Court of Federal Claims as a court of jurisdiction for claims brought forth under the act, and it requires payment for court awards from the budget of the agency responsible for the taking. With government regulations encroaching more and more on private property, I believe this bill is important.

In recent years, the courts have made important decisions regarding private property rights. In 1991, I submitted to the U.S. Supreme Court, a friend of the court brief. While this particular case dealt with the taking of property in South Carolina, the issue was important to Montana. In this case, the Court sided on with the property owner reaffirming every American's right. This year, another U.S. Supreme Court case dealing with a private property in Tigard, OR, also reaffirmed this constitutional right.

Montanans believe that protecting private property is of utmost importance. I firmly believe Congress needs to reinforce the government's responsibility to protect property rights to protect the value of individuals' land.

By Mr. DOLE (for himself, Mr. LAUTENBERG, Mr. SIMPSON, Mr. LIEBERMAN, and Mr. WOFFORD):

S. 2411. A bill to amend title 10, United States Code, to establish procedures for determining that status of certain missing members of the Armed Forces and certain civilians, and for other purposes; to the Committee on Armed Services.

THE MISSING SERVICE PERSONNEL ACT OF 1994

Mr. DOLE. Madam President, today I rise, with my colleague, Senator LAUTENBERG, to introduce the Missing Service Personnel Act of 1994. The legislation we introduce today, which builds on the recent amendments introduced by Senator SMITH to the Defense Authorization Act, would reform the Department of Defense's procedures for determining whether members of the Armed Forces should be listed as missing or presumed dead. Legislation pertaining to those missing in action has not changed in the past 50 years. Since the Vietnam War, the Department of Defense and the U.S. Government have been criticized for their handling of the

POW/MIA issue. Some of that criticism is legitimate. Some of it has been brought upon the Government by its own actions or inactions. This bill attempts to correct some of those problems and establish a fair and equitable procedure for determining the exact status of such personnel. At the same time, Senator LAUTENBERG and I hope to restore some of the Department's credibility on this issue and rebuild faith and trust between the public and our Federal Government.

This bill attempts to ensure that missing members of the Armed Services or civilian employees accompanying them are fully accounted for by the Government and that they are not declared dead solely because of the passage of time. The legislation would establish new procedures for determining the whereabouts and status of missing persons. Additionally, the bill provides for the appointment of counsel for the missing, ensuring that the Government does not disregard their interests and affording the missing due process of law. By ensuring access to Government information and making all information available to hearing officers, while providing for protection of classified information, the proposal also attempts to remove the curtains of secrecy which often seem to surround these cases. Additionally, the missing person's complete personnel file is made available for review by the family members. Moreover, the legislation attempts to protect the interests of the missing person's immediate family, dependents, and next of kin, allowing them to be represented by counsel and to participate with the boards of inquiry. It is our hope that by allowing more participation by the family, requiring legal representation of the missing, and permitting Federal court review of all determinations, we will establish fundamental fairness for all concerned.

Now let me be clear, we make no pretense that this is a perfect bill or that this bill resolves all of the concerns of all the parties with an interest in this issue. But, in an effort to build consensus, Senator LAUTENBERG and I have introduced this legislation as a starting point. Let me add that if veterans' support for this proposal is any indicator, then we're off to a good start. The American Legion, National Vietnam Veterans Coalition, Vietnow, and the National Alliance of Families all support this legislation. Madam President, I ask unanimous consent that letters from each of these organizations be printed in the RECORD following my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. DOLE. We recognize that the Department of Defense and the military services have concerns. At the same time, we also realize that the families

of missing personnel raise legitimate issues. Most importantly, we need to look at this issue from the perspective of those brave men and women currently serving in our Armed Forces. As this bill moves through the legislative process, it is our hope that all of these issues and concerns will be addressed.

We need to assure the men and women in uniform and their accompanying civilian counterparts, that this great Nation will do everything possible to return them safely home in the event they become missing while serving in armed conflict. At the same time, we must assure them that a more open and fair procedure will be established to determine their exact status. I am pleased to sponsor this important legislation with the distinguished Senator from New Jersey, and urge my colleagues to support it.

EXHIBIT 1

THE AMERICAN LEGION,
WASHINGTON OFFICE,
Washington, DC, August 16, 1994.

Hon. FRANK R. LAUTENBERG,
U.S. Senate, Hart Senate Office Building,
Washington, DC.

DEAR SENATOR LAUTENBERG: For many years The American Legion has consistently supported all positive efforts to obtain the fullest possible accounting of American prisoners of war and those missing in action from past wartime conflicts and the Cold War. The American Legion is especially appreciative of your personal efforts and concern for the plight of American POW/MIA's. Your introduction of the Dole-Lautenberg bill, The Missing Service Personnel Act of 1994, is both timely and welcome since it directly and substantially supports other ongoing Legion, Congressional and Administration efforts to facilitate acquiring the maximum achievable information on missing Americans.

Your sponsorship of this bill is especially significant since it comes at a time when American contacts with foreign governments are less interested in information on missing Americans, than on making lucrative business arrangements. With the lifting of the embargo against Vietnam earlier this year the U.S. lost its last major bargaining lever. Your bill supported by the Senate in the 103d Congress and, if necessary, reintroduced and passed in the 104th Congress will serve to keep America's POWs and MIA's from being forgotten.

Sincerely,

JOHN F. SOMMER, Jr.,
Executive Director.

NATIONAL VIETNAM
VETERANS COALITION,
Washington, DC, August 16, 1994.

Re Missing Persons Act reform.

Hon. ROBERT DOLE,
Hon. FRANK LAUTENBERG,
U.S. Senate, Hart Senate Office Building,
Washington, DC.

DEAR SENATORS DOLE AND LAUTENBERG: The National Vietnam Veterans Coalition, a federation of seventy-eight (78) Vietnam veterans organizations and veterans issue groups, is pleased to support your efforts for long overdue reform of the Missing Persons Act.

The history of the law, as previously administered, has been one of arbitrary decisions, based on incomplete information. The

administration of the law has produced untold grief among the family members of the missing in action and has angered the Vietnam veteran community. The rote presumptive findings of death have contributed substantially to the ongoing failure of the POW-MIA bureaucracy to meaningfully resolve the issue.

The bill you are introducing provides considerable procedural protections to future MIA's. The provisions for appointment of counsel for the MIA's interests, the counsel's access to classified information, procedures for dealing with classified information, centralization of case information in the MIA's personnel file, the ability to reopen hearings for a period of time and effective reversal of the current de facto presumption of death reflexively applied in hearings mark tremendous progress. The encouragement to combine hearings in group disappearance cases would force hearing panels to weigh the evidence in a broader context.

The opening up of the process to include the right of participation of secondary next of kin is a welcome recognition of the fact that there is more than one person in each family who cares about the fate of a missing relative.

Lastly, the limited right to re-open cases from earlier wars will afford considerable justice to those families who were previously victimized by the kangaroo courts of the past.

We are proud to endorse this much needed piece of legislation.

Sincerely,

J. THOMAS BURCH, Jr.,
Chairman.

VIETNOW,
NATIONAL HEADQUARTERS,
Rockford, IL, August 14, 1994.

Hon. ROBERT DOLE,
Hart Senate Office Building,
Washington, DC.

DEAR SENATOR DOLE: After reviewing the proposed "Missing Service Personnel Act of 1994" bill, it is apparent that this bill is years and probably decades over due. The original Act of 1942 may have served a noble purpose at the onset. However, it seems that in the years that have followed this original bill has been prostituted. The 1942 bill has been used for the purpose of conveniently declaring the presumption of death.

We have always been of the opinion that the declaration of death at the stroke of a pen is totally unacceptable. The presentation of hard factual evidence is often overshadowed by the simple passage of time. The matter of death by association is another method of accounting that has been used in the past that we find deplorable.

The inclusion of wording which required "conclusive proof of death" in the 1994 bill makes this bill a very important piece of legislation. Prescribing a set time frame for review and re-review is another key element of this legislation. However, the most important part of this bill is the inclusion of family members in the review process and allowing the families access to information that is accumulated in the investigative process.

An interesting part of this bill is the section which deals with "knowingly and willfully" withholding of information from the personnel file of a missing person. This section details action to be taken against anyone who is involved in such behavior.

Senator Dole, we strongly support the Missing Service Personnel Act of 1994 and we commend your efforts in its passage.

Sincerely,

RICH SANDERS,
President.

NATIONAL ALLIANCE OF FAMILIES.

Bellevue, WA, August 15, 1994.

Hon. ROBERT DOLE,

*Hart Building,
Washington, DC.*

DEAR SENATOR DOLE: The membership of the National Alliance of Families would like to thank you and Senator Frank Lautenberg (D-NJ) for introducing the "Missing Service Personnel Act of 1994".

Families of American Prisoners of War and Missing in Action have waited much too long to see that justice will be afforded our future patriotic military personnel, who well may be our own sons, daughters and grandchildren. This bill will clarify the arbitration practices and procedures allowing all immediate family to participate in the appeal process which has been denied our past MIA military personnel.

The evidence is clear that some men from WWII, the Korean War, the Cold War and the Vietnam War were declared dead when they were not dead but alive. The U.S. Government has denied these patriotic men and women under the "International Law of War" and the "Geneva Convention" their civil rights, their freedom.

The "Missing Service Personnel Act of 1994" will afford justice as to assure that our Military personnel will not be so readily written off as has been done in the past.

Sincerely,

DOLORES APODACA ALFOND,
National Chairperson.

THE AMERICAN LEGION,
WASHINGTON OFFICE,
Washington, DC, August 16, 1994.

Hon. ROBERT J. DOLE,

*U.S. Senate, Hart Senate Office Building,
Washington, DC.*

DEAR SENATOR DOLE: For many years The American Legion has consistently supported all positive efforts to obtain the fullest possible accounting of American prisoners of war and those missing in action from past wartime conflicts and the Cold War. The American Legion is especially appreciative of your personal efforts and concern for the plight of American POWMIAs. Your introduction of the Dole-Lautenberg bill, The Missing Service Personnel Act of 1994, is both timely and welcome since it directly and substantially supports other on-going Legion, Congressional and Administration efforts to facilitate acquiring the maximum achievable information on missing Americans.

Your sponsorship of this bill is especially significant since it comes at a time when American contacts with foreign governments are less interested in information on missing Americans, than on making lucrative business arrangements. With the lifting of the embargo against Vietnam earlier this year the U.S. lost its last major bargaining lever. Your bill supported by the Senate in the 103d Congress and, if necessary, reintroduced and passed in the 104th Congress will serve to keep America's POWs and MIAs from being forgotten.

Sincerely,

JOHN F. SOMMER, Jr.,
Executive Director.

Mr. LAUTENBERG. Madam President, I am pleased to join Senator DOLE in introducing the Missing Service Personnel Act of 1994. It is perhaps fitting that two veterans of World War II join together to sponsor this legislation. Senator DOLE and I collaborated in writing this bill in a spirit of bipar-

tisanship. We believe there is no room for politics when it comes to how the Government treats its missing personnel.

Madam President, the Missing Service Personnel Act of 1994 updates existing law, last written by Congress in 1942. Its focuses on how the U.S. Government deals with military personnel and Federal employees who are classified as "missing in action." Our bill also makes some improvements in the way the Federal Government deals with the families of missing persons. They suffer when a loved one is missing and they deserve to have their interests protected and their needs met by their Government.

Congressional interest in the issue is extensive, Madam President. When the Senate Select Committee on POW/MIA Affairs—ably led by Senator KERRY and Senator SMITH—reported its findings to this body, it concluded there has been serious U.S. Government neglect and mismanagement in dealing with missing servicemen. That's why we're here today—we want to rid the Government of neglect and mismanagement in its treatment of Americans who are missing in action.

Having served in World War II, both Senator DOLE and I know first-hand the tremendous sacrifice service men and women make when they face combat. We know the terror soldiers face when they consider the prospect of being captured. We also know the anguish our loved ones suffer when a soldier goes into harm's way.

Over the past 25 years, the credibility of the Department of Defense on MIA/POW issues has been seriously questioned. Without substantial reform of its procedures, the American people will continue to question the credibility of DOD in future military operations. Americans expect Pentagon officials to care for our soldiers and their families. They expect DOD officials to do the right thing when a servicemember is reported missing. There should be no curtain of secrecy. There should be no perception of incompetence. There should be no unfair treatment of families.

Our uniformed men and women serve proudly in the Armed Forces on behalf of all Americans. In return for their sacrifice, American servicemen should be able to expect fairness, honesty, and support from the Department of Defense.

Unfortunately, Madam President, when we look at recent history concerning the treatment of families of those missing in action, we see a troubling picture. No one in Congress should be content with what has happened in the past. We have seen families become outraged by the treatment they receive from their Government. We have witnessed their disgust toward elected officials. And, we have heard their calls for more information, more

interest, and more action to recover their loved ones.

Today, we have an opportunity to respond, to provide better treatment. I believe the time is right to correct the Pentagon's flawed management practices. The cold war is over. The United States is not engaged in a major war, although we still have American men and women serving faithfully around the globe. They are ready for conflict if necessary. And, I suggest to my colleagues that the Pentagon must be ready as well.

Let's take a look at the problems we face now.

Madam President, existing United States law concerning how the Government deals with missing persons is over 50 years old. That law is inadequate—it deals primarily with financial aspects of missing personnel and their dependents. That law is outdated—it doesn't address new issues that have emerged over the past 25 years. And that law is incomplete—it doesn't protect missing service members from bureaucratic inaction.

Perhaps most troubling is the fact that existing law does not protect the rights of missing persons. Right now, missing persons do not have counsel in Government hearings. No one represents their interests. In addition, missing persons lose due process after one year. They just go into administrative limbo. They stay there until someone says they're dead. No wonder so many families think Government decisions are arbitrary and capricious.

Another problem deals with access to information. Right now, hearing officers can be denied information about missing persons. In addition, hearing officers can be excluded from reviewing classified information. And further, Government officials can willfully withhold relevant information without penalty. I believe these practices are the root cause for the "curtain of secrecy" that surrounds Government decisions.

The lack of specified rights for families is another problem with existing law. The Americans with the greatest stake in Government action have the least involvement in those decisions. Moreover, families have no right to appeal. No wonder many families make charges of "cover-up" and "smoke-screen." I believe we should have procedures that guarantee families of missing servicemen honest, fair, and just treatment.

Finally, Madam President, the old law doesn't create the opportunity for good just decisions. Right now, officials assigned to conduct hearings may not be qualified. Further, they may have no guidance about making determinations of death. So today, what we have are poor decisions: missing persons are pronounced dead merely with the passage of time. I believe such determinations constitute disloyalty to our service men and women.

Madam President, when you look at the problems with existing law in the aggregate, you can see why we've had so many problems over the years. Families are mad. Service men and women are wary. Government officials are frustrated. Senator DOLE and I wrote this bill to correct, once and for all, all these problems.

Unfortunately, Madam President, when the Pentagon looks at these problems they see a rosy picture. Over the last 5 years, Pentagon officials have reported to Congress that everything is just fine. They have dragged their feet in upgrading Government procedures. And despite our efforts to reform existing law, the Pentagon has not come forward with a reform proposal. Mr. President, there seems to be a general lack of will within the Pentagon to update its management procedures regarding missing persons.

In Congress today, there are several POW/MIA legislative initiatives that address problems of past wars and conflicts. These initiatives attempt to resolve problems for World War II, Korea, and Vietnam. These are all worthy and should be pursued by both the Congress and the administration.

However, Madam President, we have only one initiative that looks to the future—to the wars and conflicts not yet fought by Americans. Just last month, in passing the fiscal year 1995 National Defense Authorization Act, the Senate took the first step in establishing new procedures for the future. In that legislation, we required the Department of Defense to review its procedures and recommend changes to Congress.

I remain skeptical about the Pentagon's response. I haven't seen any enthusiasm to update their procedures. Those in Congress who have dealt with these problems have seen little Pentagon interest in reform. Indeed, just 7 months ago, an Assistant Secretary of Defense wrote to us with regard to the Pentagon's procedures and I quote:

I believe that the existing legislation provides adequate protections and venues for participation of all parties with legitimate interest.

Now Madam President, I ask my colleagues: What should we expect from a Pentagon review of existing legislation? Does anyone in this body believe the Pentagon will come forward with reform legislation? I will tell you I am very skeptical.

This is why, despite the Senate's recent action, I am introducing this bill today. I want to lay on the table a proposal with real reform. I want the Pentagon to know that this Senator does not believe existing procedures are adequate. And I suggest the Senate needs to take the lead on this critical issue.

Madam President, when we wrote this legislation, Senator DOLE and I took a new approach. We asked a simple question: How would a missing soldier want the U.S. Government to re-

spond to his or her situation? What would a missing person want from his Government? We wrote this bill from the point of view of American service men and women. When we finished, we had created wholly new procedures—procedures that, for the first time, are designed to serve those who are missing in action.

This legislation accomplishes four goals. First, it corrects management deficiencies for dealing with missing servicemembers. Second, the bill safeguards the rights of missing personnel. Third, our legislation re-establishes a sense of trust between the U.S. Government and the families of missing personnel by raising what many people consider to be a curtain of secrecy surrounding Government decisions. And finally, Madam President, our bill assures fundamental fairness to missing servicemembers by requiring timely Government action and specifying the rights of families and the Government's obligations to them. We hope that families of missing persons are treated fairly in all proceedings.

Let me discuss some of the provisions we are proposing in more detail.

First, the act will establish new procedures for determining the whereabouts and status of missing persons. These procedures accelerate official action in order to recover the missing. They may even lead to the recovery of some servicemembers.

Moreover, the new procedures will afford missing persons due process well after the first year of their disappearance. Our service men and women should never believe that our Government will abandon them if captured. This legislation guarantees that the Government won't write them off merely with the passage of time.

The second important provision of the act is that qualified counsel will be appointed for missing persons. This is new. Never before have missing persons been represented by counsel. Our service personnel should not have to worry about their rights, even if they are missing in action. This legislation assures that the Government does not ignore issues and evidence. It assures that the Government affords the missing in action due process of the law.

Third, the act will assure access to Government information. It removes the curtain of secrecy. It makes all information available to hearing officers. Also, the bill carefully provides access to classified information. And, it makes complete personnel files available for review. These measures guarantee that the Government doesn't make ill-formed decisions about the status of missing personnel.

The act also specifies the rights of the missing person's immediate family, dependents, and next of kin. It ensures that our field commanders will give families updated, accurate information concerning the incident in which their

loved one disappeared. The bill assures family participation in Government hearings. They will have access to the personnel file of the missing. They can be represented by private counsel. They can object in writing to a board's recommendations. And last, but not least, they can appeal a Government ruling. These are the basic rights of families—and no one can argue with putting them into law.

The last major provision of the act states criteria for making just decisions about the status of missing servicemembers. It gives guidance to officials about the factors they must consider before making a determination of death. The bill specifically prohibits declaring someone to be dead merely by virtue of the passage of time. I believe these provisions are important as an expression of Government loyalty to all persons who serve in the Armed Forces.

Madam President, let me close by saying that there is a strong bipartisan consensus across America in support of this bill. It has been building over the last 3 years. It started partly as a grassroots initiative from New Jersey and elsewhere.

Today, in the House, a similar bill now has about 170 cosponsors from both parties. It's clear this legislation has had a positive impact on our colleagues in the other body.

And perhaps most important, this legislation is supported by several major veterans' organizations across the United States. We have received positive endorsements from many groups which include the American Legion and the National Vietnam Veterans Coalition.

Madam President, I ask unanimous consent that the letters from John F. Sommer, Jr., executive director of the American Legion, and J. Thomas Burch, chairman of the National Vietnam Veterans Coalition, be included in the RECORD.

Madam President, the good intention of many Americans, who truly care about the welfare of the men and women in the armed services, has been combined into this initiative. They believe it is the right thing to do.

I urge my colleagues to join Senator DOLE and me in supporting this reform legislation when it is voted upon in the Senate.

By Mrs. KASSEBAUM (for herself and Mr. DOLE):

S. 2412. A bill to provide for the establishment of the Tallgrass Prairie National Preserve in Kansas, and for the other purposes; to the Committee on Energy and Natural Reserves.

TALLGRASS PRAIRIE NATIONAL PRESERVE ACT

Mrs. KASSEBAUM. Mr. President, today I rise to introduce legislation to create a tallgrass prairie preserve in the Flint Hills of Kansas. This legislation is the product of months of discussions and negotiations between the Department of the Interior, the National

Park Trust, and representatives of Kansas agriculture and conservation groups. It is legislation which I believe will be seen as a model for partnership between the Federal Government and private conservation groups for protecting important natural resources.

There is no finer example of the tallgrass prairie ecosystem than the 10,894-acre Spring Hill Ranch, located in the heart of the Flint Hills in Chase County, KS. I often find it hard to describe the beauty of the area to those have not visited Kansas. William Least Heat-Moon may have best described it in his recent book, "Prairyerth," when he wrote about growing to appreciate the splendor of the tallgrass prairie.

He wrote:

I learned a prairie secret: take the numbing distance in small doses and gorge on the little details that beckon. The prairie doesn't give up anything easily, unless it's horizon and sky. Search out its variation, its color, its subtleties.

He says if you look at the prairie this way, you will soon discover that, like the geodes so abundant in this country, a splendid world lies within a plain cover.

Mr. President, it is ironic that the very conditions that promoted the development of this special ecosystem—good soil and adequate moisture—have also led to its demise. Much of the tallgrass prairie that stretched from southern Minnesota to Oklahoma has succumbed in the last hundred years to the steel plow. Today, the Spring Hill Ranch is one of but a few untouched stretches that remain.

For the last five decades, Kansas have been struggling with the question of how best to preserve a portion of the tallgrass prairie and open it to the public. In a State where any Federal involvement is viewed with great suspicion, it has been difficult to find common ground between the conservation and agriculture communities on how to do this.

For the past 3 years, I have been working with both groups in an effort to preserve the ranch. Frankly, I believe both groups have much to gain in working to preserve the property. For conservationists, it is an opportunity to preserve an American ecosystem, its plants, and its wildlife that nowhere else is protected by the National Park Service. For ranchers, it is an opportunity to teach the public the important role ranching played in the development of the West and how the lush native grass that drew buffalo to the region by the thousands also brought a strong ranching heritage to the State.

The legislation I am introducing is the product of discussions with both of those groups. It comes as the result of the tremendous commitment one conservation group, the National Park Trust, has made to protecting this ranch. Earlier this year, when private

preservation efforts has reached a stalemate, the National Park Trust, using their own savings, purchased the ranch. Their private ownership, and their willingness to enter into a cooperative management agreement with the National Park Service, has made this legislation possible.

The Tallgrass Prairie National Preserve Act will allow the National Park Service to purchase up to 180 acres or less than 2 percent of the ranch. In meetings I have had with Secretary of the Interior Bruce Babbitt, he has stated that he would like to see the National Park Service purchase, maintain, and operate this core area, which includes a ranch house, a barn, and several other buildings listed on the National Register of Historic Places.

The rest of the ranch will continue in private ownership, but the Secretary of the Interior is given the authority in this bill to enter into a cooperative agreement with the National Park Trust to provide interpretative and resource management assistance, as well as police and emergency services.

Great care has been made to take into account the legitimate concerns of area ranchers. That is why the National Park Service ownership is limited to 180 acres, and no further expansion is permitted. Language was incorporated into the bill to address concerns about fence maintenance and to require compliance with state noxious weed, pesticide, animal health, and water laws. The bill also establishes an advisory committee consisting of conservationists, local landowners, and educators to give their input on how the ranch should be managed.

Mr. President, the legislation I am introducing is the product of consultations and discussions that have occurred over a period of several years. I am excited about the private/public partnership that is envisioned in this bill. We hear frequently that the budget of the National Park Service is being stretched beyond its ability to deal with the demands we place on it. This bill is mindful of that.

The National Park Trust's \$5 million investment to acquire the ranch and operate it in conjunction with the National Park Service allows us to protect this property and open it to the public at a tremendous savings to the American taxpayer. I believe as Federal dollars become increasingly tighter, the National Park Service and private conservation groups must look for innovative ways like ones this bill embraces to protect natural resources.

We have a wonderful opportunity to protect for future generations a portion of the tallgrass prairie. Passage of this bill will give the American public an opportunity to enjoy and explore this beautiful area and an appreciation for this ecosystem and the history and importance of ranching.

Mr. President, I ask unanimous consent that a letter written to me from

Paul Pritchard, chairman of the National Park Trust appears in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL PARK TRUST,
Washington, DC, August 19, 1994.

Hon. NANCY KASSEBAUM,
U.S. Senate,
Washington, DC.

DEAR SENATOR KASSEBAUM: On behalf of the Trustees of the National Park Trust, it is a privilege for us to endorse legislation to preserve the Tallgrass Prairie of Kansas. We particularly commend you and the delegation from Kansas for the leadership you have provided in assisting the National Park Service to carry out its important mandate to recognize America's tallgrass heritage—a heritage that once stretched more than 140 million acres across America's heartland, but today only survives in remnant swatches.

The Springhill/Z Bar Ranch encompasses a magnificent unspoiled swath of the Flint Hills. Its rolling, nearly treeless landscape with grasses, sometimes reaching ten feet in height, sustains the biological riches of a vanishing American landscape. Nearly 200 kinds of birds, 29 species of reptiles and amphibians, and 31 species of mammals can be found on the property. Its distinctive century-old limestone buildings, looming large amid ocean-like waves of prairie, give enduring voice to local traditions and can serve as an appropriate setting to tell the story of the Native American and pioneers and our nation's westward expansion. Because of its outstanding natural and cultural resources, the National Park Service's 1991 study concluded that the property met the standards as a unit of the National Park System.

The National Park Trust acquired the Springhill/Z Bar Ranch in June as a first important step toward ensuring that this country's tallgrass heritage is preserved and interpreted for all Americans. The Trust is a 501(c)(3) non-profit educational and charitable corporation which is celebrating over ten years of service as the land conservancy of the national parks. Its mission is to assist the National Park Service in the acquisition of in holdings from willing sellers, and to acquire and protect properties, such as the Springhill/Z Bar Ranch, that merit protection as units of the National Park System.

The National Park Trust has served over this decade as a partner with the National Park Service and with private individuals in the preservation of important properties from Alaska to Florida, and from Massachusetts to California. In addition, the Trust provides funds for other non-profit organizations to carry out important park projects. For example, the Trust underwrote the first acquisition by the Civil War Trust at Harpers Ferry National Historical Park.

We welcome this opportunity to support this legislation and look forward to its completion so that this deserving resource can be part of the National Park System.

Sincerely,

PAUL C. PRITCHARD,
Chairman.

Mr. DOLE. Mr. President, for the past several years, a debate has raged in Kansas regarding the preservation of an 11,000 acre ranch known as the Spring Hill Ranch. Unfortunately, this controversy has pitted neighbor against neighbor and divided communities. My colleague from Kansas, Senator KASSEBAUM, has worked diligently

to resolve this matter. In January 1992, she stepped in and organized the Spring Hill/Z-Bar Ranch Foundation as a private effort to raise money for the purchase of the ranch. The foundation was crafted to address many of the concerns raised by both sides of this controversy.

Unfortunately, the efforts of this private/public foundation failed when the bank and the foundation could not reach an agreement on the price and conditions for sale.

Today, I am joining Senator KASSEBAUM as a cosponsor of legislation which would authorize the National Park Service to purchase a core area of the ranch. The legislation allows the National Park Service to purchase 180 acres, which includes the buildings and enough acres to build an interpretive center.

I think most of us agree on the need to preserve a piece of the tall grass prairie. Anyone who has driven through the flint hills of Kansas appreciates the beauty of this prairie.

In cosponsoring this legislation, I do have reservations. I have worked closely with both sides in trying to resolve this matter. And while this legislation goes a long way toward addressing some of the concerns on both sides, I want to emphasize that, in my view, this solution is not perfect.

One of the primary stumbling blocks to this agreement has been Federal ownership of the land. The reputation of the Federal Government as a landowner and neighbor is tarnished at best. This bill authorizes the Federal Government to purchase 180 acres—no more, no less. The legislation is clear on this point. The Government is not allowed to purchase any additional land. I do not envision this as the Government camel getting its nose under the tent and then purchasing additional acres at a later date. I would also point out that this legislation authorizes the Federal Government to purchase the land at no more than fair market value. Let me repeat that. The Government may purchase the property at no more than fair market value. Too often we hear horror stories of the Government paying exorbitant amounts of money for property. As a matter of fact, I commend the local residents for taking such an active role in opposing the use of Federal dollars for this project.

And as we ask the people of Chase County to accept the Federal Government as a neighbor, I also believe the Government should accept the same liability as any other landowner. The Federal Government should not be a bad neighbor.

Mr. President, I would point out that one of the attractive provisions of this bill is that it establishes an advisory committee. The Secretary of the Interior must consult with this committee when preparing the general manage-

ment plan for the land. This should help ensure that local concerns are taken into account when decisions affecting them are made.

In conclusion, Mr. President, while this legislation is not perfect, it does address many of the concerns of local and State interests. I am hopeful that we can work through this difficult situation and in the end, come up with a compromise that is acceptable to everyone.

ADDITIONAL COSPONSORS

S. 1208

At the request of Mr. WOFFORD, the name of the Senator from Minnesota [Mr. DURENBERGER] was added as a cosponsor of S. 1208, a bill to authorize the minting of coins to commemorate the historic buildings in which the Constitution of the United States was written.

S. 1288

At the request of Mr. AKAKA, the name of the Senator from Iowa [Mr. GRASSLEY] was added as a cosponsor of S. 1288, a bill to provide for the coordination and implementation of a national aquaculture policy for the private sector by the Secretary of Agriculture, to establish an aquaculture commercialization research program, and for other purposes.

S. 2183

At the request of Mrs. HUTCHISON, the name of the Senator from Nevada [Mr. BRYAN] was added as a cosponsor of S. 2183, a bill to require the Secretary of the Treasury to mint coins in commemoration of the 50th anniversary of the signing of the World War II peace accords on September 2, 1945.

SENATE JOINT RESOLUTION 188

At the request of Ms. MOSELEY-BRAUN, the names of the Senator from New York [Mr. D'AMATO], the Senator from South Carolina [Mr. THURMOND], and the Senator from Virginia [Mr. WARNER] were added as cosponsors of Senate Joint Resolution 188, a joint resolution to designate 1995 the "Year of the Girl Child."

SENATE JOINT RESOLUTION 206

At the request of Mr. WOFFORD, the names of the Senator from Maine [Mr. MITCHELL], the Senator from Arizona [Mr. DECONCINI], and the Senator from Massachusetts [Mr. KENNEDY] were added as cosponsors of Senate Joint Resolution 206, a joint resolution designating September 17, 1994, as "Constitution Day."

SENATE JOINT RESOLUTION 216

At the request of Mr. HATCH, the names of the Senator from Maryland [Ms. MIKULSKI], the Senator from Florida [Mr. GRAHAM], the Senator from Mississippi [Mr. COCHRAN], and the Senator from Washington [Mrs. MURRAY] were added as cosponsors of Senate Joint Resolution 216, a joint resolution designating the week beginning

September 12, 1994, as "National Hispanic Business Week."

SENATE CONCURRENT RESOLUTION 73

At the request of Mrs. FEINSTEIN, the names of the Senator from Connecticut [Mr. LIEBERMAN] and the Senator from Nebraska [Mr. KERREY] were added as cosponsors of Senate Concurrent Resolution 73, a concurrent resolution expressing the sense of the Congress with respect to the announcement of the Japanese Food Agency that it does not intend to fulfill its commitment to purchase 75,000 metric tons of United States rice.

SENATE RESOLUTION 250—TO REFER S. 2409 TO THE COURT OF CLAIMS

Mr. DURENBERGER submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 250

Resolved, That the bill S. 2409 entitled "A bill for the relief of D.W. Jacobson, Ronal Karkala, and Paul Bjorgen of Grand Rapids, Minnesota," now pending in the Senate, together with all the accompanying papers, is referred to the chief judge of the United States Court of Federal Claims. The chief judge shall proceed with the same in accordance with the provisions of sections 1492 and 2509 of title 28, United States Code, and report thereon to the Senate, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand as a claim, legal or equitable, against the United States or a gratuity and the amount, if any legally or equitably due to the claimants from the United States.

AMENDMENTS SUBMITTED

THE HEALTH SECURITY ACT

HUTCHISON (AND OTHERS) AMENDMENT NO. 2571

Mrs. HUTCHISON (for herself, Mr. GREGG, and Mr. KEMPTHORNE) proposed an amendment to amendment No. 2560 proposed by Mr. MITCHELL to the bill (S. 2351) to achieve universal health insurance coverage, and for other purposes; as follows:

On page 182, strike lines 11 through 19.

HARKIN (AND OTHERS) AMENDMENT NO. 2572

Mr. HARKIN (for himself, Mr. KENNEDY, Mr. DASCHLE, Mr. REID, and Mr. ROCKEFELLER) proposed an amendment to amendment No. 2560 proposed by Mr. MITCHELL to the bill S. 2351, *supra*; as follows:

At the appropriate place in part 1 of subtitle C of title I, insert the following new section:

SEC. . FLEXIBLE SERVICES OPTION.

(a) **EXTRA CONTRACTUAL SERVICES.**—A health plan may provide coverage to individuals enrolled under the plan for extra contractual items and services determined appropriate by the plan and the individual (or in appropriate circumstances the parent or legal guardian of the individual).

(b) **DISPUTED CLAIMS.**—A decision by a health plan to permit or deny the provision of extra contractual services shall not be subject to a benefit determination review under this Act.

(c) **DEFINITION.**—As used in this section, the term "extra contractual items and services" means, with respect to a health plan, case management services, medical foods, and other appropriate alternatives (either alternative items or services or alternative care settings) to traditional covered items or services that are determined by the health plan to be the most cost effective way to provide appropriate treatment to the enrolled individual.

JERRY L. LITTON U.S. POST
OFFICE BUILDING ACT OF 1994

PRYOR (AND STEVENS)
AMENDMENT NO. 2573

Mr. SARBANES (for Mr. PRYOR, for himself and Mr. STEVENS) proposed an amendment to the bill (H.R. 1779) A bill to designate the facility of the U.S. Postal Service located at 401 South Washington Street in Chillicothe, MO, as the "Jerry L. Litton United States Post Office Building"; as follows:

On page 1, insert after line 11, the following new section:

SEC. . TRAVEL AND TRANSPORTATION EXPENSES FOR FAMILY MEMBERS OF CAREER APPOINTEES.

Paragraph (3) of section 5724(a) of title 5, United States Code, is amended to read as follows:

"(3) upon the separation (or death in service) of a career appointee, as defined in section 3132(a)(4) of this title, the travel expenses of that individual (if applicable), the transportation expenses of the immediate family of such individual, and the expenses of moving (including transporting, packing, crating, temporarily storing, draying, and unpacking) the household goods of such individual and personal effects not in excess of eighteen thousand pounds net weight, to the place where the individual will reside (or, in the case of a career appointee who dies in service or who dies after separation but before the travel, transportation, and moving is completed, to the place where the family will reside) within the United States, its territories or possessions, the Commonwealth of Puerto Rico, or the areas and installations in the Republic of Panama made available to the United States pursuant to the Panama Canal Treaty of 1977 and related agreements, as described in section 3(a) of the Panama Canal Act of 1979, if such individual—

"(A) during or after the five years preceding eligibility to receive an annuity under subchapter III of chapter 83, or of chapter 84 of this title, has been transferred in the interest of the Government from one official station to another for permanent duty as a career appointee in the Senior Executive Service or as a director under section 4103(a)(8) of title 38 (as in effect on November 17, 1988); and

"(B) is eligible to receive an annuity upon such separation (or, in the case of death in service, met the requirements for being considered eligible to receive an annuity, as of date of death) under the provisions of subchapter III of chapter 83 or chapter 84 of this title."

SEC. . EFFECTIVE DATE.

(a) **IN GENERAL.**—This Act and the amendment made by this Act shall take effect on October 1, 1994, or, if later, the date of the enactment of this Act.

(b) SPECIAL RULE.

(1) **IN GENERAL.**—Under regulations prescribed by the President or his designee, an agency shall, as appropriate, pay or make reimbursement for any moving expenses which would be payable under the provisions of section 5724(a)(3) of title 5, United States Code, as amended by section 1 (but which would not have been payable under such provisions, as last in effect before being so amended).

(2) **APPLICABILITY.**—The moving expenses to which this subsection applies are those incurred by the family of an individual who died—

(i) before separating from Government service; and

(ii) during the period beginning on January 1, 1994, and ending on the effective date of this Act.

(3) **CONDITION.**—Payment or reimbursement under this subsection may not be made except upon appropriate written application submitted within 12 months after date on which the regulations referred to in paragraph (1) take effect.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON THE JUDICIARY

Mr. SARBANES. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to hold a business meeting during the session of the Senate on Friday, August 19, 1994.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS**1994 CRIME BILL**

• Mr. LAUTENBERG. Mr. President, I rise today to voice my regret over last week's setback to the 1994 crime bill and to express my hope that our colleagues in the House will hear the cries of the American people and revive this critical piece of legislation.

Mr. President, last Sunday, I visited the residents of Lincoln Village Courtyard in Asbury Park, NJ, to find out what matters most to those people we are here to represent: Parents who struggle to keep their children in school, off drugs, and out of trouble.

They told me the same thing I have heard all over New Jersey during the last several months. They are worried about the safety of their families and their neighborhoods.

They worry about drug dealers each time they send their children to buy some milk at the corner market. They worry about sex offenders each time

their children go next door to play with a new neighbor's dog. They worry about gangs each morning when they drop their children off at school.

Mr. President, the American people should not have to live in constant fear of drugs, guns, and crime.

How many more victims must die before we listen to their innocent cries? How much longer will the power of the NRA drown out the pleas of their mourning parents?

Mr. President, this crime bill is not about us, here in Congress. It's about listening to the American people and giving them what they deserve. It's about safer neighborhoods with more cops and fewer guns.

If we cannot transcend our partisan bickering, the American people will be the losers—not us.

They will lose 100,000 new police officers, men and women who would walk the beat making America's neighborhoods safer for children and less safe for criminals.

They will lose the assault weapon ban, which would rid our neighborhoods of 19 military-style weapons that belong only on battlefields, not on local street corners.

They will lose tougher sanctions for hardened criminals. That means no new penalties for repeat rapists and no mandatory life sentences for felons convicted of three serious crimes.

They will lose \$8.8 billion for the construction and operation of prisons to keep dangerous criminals behind bars and off our city streets.

They will lose the opportunity to ensure the protection of their children when a sexual predator moves in next door. So we will have no more cases such as Megan Kanka's.

They will lose provisions that would take guns away from juveniles and domestic abusers—ensuring safer schools and giving families an added measure of protection.

And they will lose the programs that are designed to give youngsters a safe alternative to the dangerous lure of crime and drugs.

The American people need these protections, and our job is to provide them.

Mr. President, over the last few weeks this crime bill has been assailed by some who say it contains too much pork. Their favorite example is midnight basketball.

We all agree, Mr. President, that in order to fight crime, we must get dangerous criminals off of our streets and behind bars.

But that cannot be our only strategy. We cannot afford to simply fight crime at the back end.

Midnight basketball is one of many innovative programs that offer youngsters in the inner city an alternative to the counterculture of drugs and gangs and guns.

This program was hailed by none other than George Bush as one of the

Nation's most effective crime fighting programs.

Mr. President, we need programs such as this so that we give our young children in the innercity something to say "yes" to.

Basketball encourages youngsters to work together. It teaches cooperation. It fosters discipline. And most important, it keeps children and young adults off of dangerous city streets.

Mr. President, we have gotten sidetracked on the issue of basketball. But this crime bill is not about a game of hoops.

It's about heeding the calls of the American people who have had to wait more than 6 years for safer streets and safer schools.

It's about hearing the cries of the victims like Megan Kanka and making sure they did not die in vain.

And it's about making clear to the American people that we are listening to them and not to a powerful lobby that puts its personal ideology above the safety of the American public.

Mr. President, the American people have waited long enough for this bill. Too many victims have died while we debated its provisions.

I urge my colleagues in the House to pass the crime bill as quickly as possible, so we can get the cops on the street and the criminals off of it.●

AT THE FED, DOUSING UNLIT FIRES

● Mr. SIMON. Mr. President, one of the more thoughtful writers in the field of economics in our country is Hobart Rowen of the Washington Post.

Recently, he had a column touching on something that I rarely see referred to: the possibility of revising the Consumer Price Index.

It is part of a criticism that he has of Alan Greenspan and the Federal Reserve Board.

Overall, my impression is that the Federal Reserve Board has done a good job, and our problems are primarily not from monetary policy but from fiscal policy.

But I also believe that interest rates have gone as high as they should go, unless we see inflation taking hold in a more meaningful way than is now suggested.

What the column does not mention is that Congress has failed to follow the advice of Arthur Burns, Paul Volcker, and others, by indexing a great many things, including Social Security and income tax rates.

We indexed income tax rates, for example, without having held a hearing of any committee. If we were to stop the indexing of income tax rates for even 1 year, the net savings over a 5-year period would be \$36 billion.

The really harmful effect of indexing is that it is, in and of itself, inflationary. And the Federal Reserve has to

keep that in mind as it looks at the inflation problem. We have built, through indexing, a weakness that can start inflation snowballing, if we are not careful. So they are being prudent, sometimes perhaps too cautious.

One of the ways to slow the inflationary impact of indexing is to take a good look at the index factors, as Hobart Rowen suggests.

When I was in the House, I was startled to find that the Consumer Price Index "Market Basket" included the assumption that every American bought a new home every month. I don't know too many people who do that.

No other country followed that path in indexing the housing components of their inflation index.

So I introduced an amendment calling on the administration to change the index calculation for housing in the monthly "Market Basket." That passed the House, and it was accepted in conference committee by the two houses.

As a result of that, during the last month he was in office, President Jimmy Carter shifted the housing component in the Consumer Price Index to a rental equivalency. One economist called it the most significant step that President Carter took in the field of economics in his 4 years as President. Because the subject is so complex, the Carter move received virtually no attention. The amendment that I introduced and was adopted has literally saved billions of dollars for the Federal Government—as well as in the private sector—and my recollection is that a one-paragraph story in the Wall Street Journal is the only thing that ever appeared about it. As my political mentor and a great U.S. Senator Paul Douglas, often told me: "The more significant things you do in public office will receive almost no media attention." That is certainly true of this particular item.

I hope the Federal Government and Members of Congress will take a look at how the Consumer Price Index is put together.

Hobart Rowen's suggestion for a little more sophisticated Consumer Price Index is something that makes sense and could save the Federal Government many billions of dollars.

I ask unanimous consent to insert the Hobart Rowen column into the CONGRESSIONAL RECORD at this point.

The column follows:

AT THE FED, DOUSING UNLIT FIRES (By Hobart Rowen)

As Alan Greenspan and his Federal Reserve Board have raised interest rates another notch—the fifth time this year—evidence is accumulating not only that inflation is not a threat but also that the way inflation is measured by official agencies may overstate the danger.

The inflation rate in the past three months has been only 3.1 percent and in the past year, a mere 2.3 percent. But even these tol-

erable levels—which should not be triggering higher interest rates—probably have at least a mild upward bias, according to recent studies at the Fed itself.

They show that the monthly Consumer Price Index (CPI), as constructed, does not reflect all of the quality improvements now available in a range of products and services and therefore exaggerates the real degree of inflation.

But Greenspan and the Fed are doggedly determined to wipe out inflation before it is a real threat, operating on the theory that it's better to take preventive action than wait until it's too late. So the federal funds rate was raised Tuesday to 4.75 percent and the discount rate to 4.0 percent.

What Greenspan won't admit is that he may be acting too early, cutting off the economy at the knees. There is considerable evidence that the Fed's interest rate boosts this year, prior to the latest boost, have already deflated the housing and auto booms that led economic expansion until mid-1994.

There are many good reasons why the Fed should be following a different course. The central bank appears to be caught in a time warp, acting as though this were not the 1990s but the 1970s, when the economy was prone to runaway inflation.

Today, there are vast differences. As Greenspan has publicly acknowledged, the United States is now part of a global economy in which international competition and global excess capacity provide a powerful counter-inflationary force.

David Levy of the Jerome Levy Institute of Bard College cites three examples of why the 1990s are less prone to runaway inflation:

Pay raises are modest. Twenty years ago, unions were able to ratchet wages well above the CPI. Today, most unions aren't able to get their employees more than a 3 percent annual pay increase.

Productivity is up instead of down. In the 1970s there was a rapid, 2.9 percent growth in the labor force, reducing average productivity. In the 1990s labor force is expected to grow only 1.3 percent annually, with productivity rising.

Companies are "lean and mean." By trimming the fat they enjoyed in the 1970s, American firms are responding to, instead of ignoring, foreign competition.

But Greenspan, like his predecessors Paul A. Volcker and Arthur F. Burns, displays the central banker's traditional bias that risks cutting off recovery too soon, even if recession results. That's too bad, because it would be better for the nation as a whole to err on the side of a small inflation, rather than a small deflation, which costs jobs and spells misery for thousands of lower-income families.

Then there is the nagging question, newly raised, of how accurate the CPI is in the first place. Not everybody agrees that there is an upward bias. Jack Triplett of the Department of Commerce, an expert on this issue, contended in 1988 that "the CPI has, if anything, understated inflation in the last several years."

But a paper just published by Mark A. Wynne and Fiona D. Sigalla of the Federal Reserve Bank of Dallas "guesstimates" that the CPI probably does overstate inflation "by no more than 1 percent annually." And a 1992 Washington Fed staff study also concludes there is an upward bias to the CPI, which under "extreme assumptions" could be exaggerating inflation by as much as 1.8 percent a year.

The main reason that the CPI may overstate inflation is that as the economy gets

more complicated, the Bureau of Labor Statistics' job of pricing the items in the "market basket" of goods and services urban consumers are buying gets more difficult.

Example: Home users of computers and word processors get vastly increased power and utility from their machines than they did five years ago. Not only do today's computers do their jobs more efficiently, but they also do some tasks that were beyond their scope five years ago. Prices have gone down, but quality has gone up.

Greenspan acknowledged the possibility of an upwardly biased CPI in congressional testimony last week. "On balance, imprecision in the measurement of key economic magnitudes does complicate the job of policy-making," he said. But Greenspan counseled not to worry, because he said the Fed can consult a variety of sources besides the CPI for a true reading on any inflation threat.

That doesn't quite satisfy me, inasmuch as the central bank these days is disposed, as it did Tuesday, to take preemptive strikes against inflation by boosting interest rates in advance. If a more precisely calibrated CPI were available, the Fed would have less of an excuse to put out a fire that doesn't yet burn.●

PREVENTING FUTURE RWANDAS

● Mr. LEAHY. Mr. President, as we spend hundreds of millions of dollars to fund the largest refugee relief operation in recent history, we have to ask ourselves if there was not something we could have done to stop the slaughter of over half a million people in Rwanda. Could a properly trained and equipped U.N. military force have intervened sooner, without great risk, and provided protection to some of the thousands of innocent people who lost their lives to gangs of machete-wielding thugs? Could it also have saved some of the many millions of dollars we are spending now to care for the refugees?

As a starting point for considering how to avoid similar catastrophes in the future, I urge all Senators to read the July 31, 1994 op-ed piece in the Washington Post by Agency for International Development Administrator Brian Atwood. Mr. Atwood wrote that "the horror of Rwanda is but the latest of the many faces of chaos. The debate over this tragedy has led us to ask critical questions about the nature and speed of our response. Was it too little, too late? Is UN machinery adequate to handle disasters of this magnitude? Should we have sent peacekeepers into a civil war?"

Obviously, the establishment of such a multilateral rapid response force would be controversial and costly, but these are crucial questions that urgently need answers. History has shown that it is only a matter of time before we will be confronted with another Rwanda-like crisis. We will again be faced with the agonizing question of whether to intervene and try to prevent a greater tragedy, or wait until the violence stops and then try to alleviate the suffering of those who sur-

vived the slaughter. We and the rest of the international community must examine our response, or initial lack of response, to the Rwanda crisis and consider whether we can prevent such acts of genocide in the future.

The other point that Mr. Atwood makes, and which I have made time and again, is that if future Rwandas are to be averted we need to focus on crisis prevention, not crisis response. "No amount of international resources of organizational capacity can serve as a substitute for building stable, pluralistic societies * * *. Sustainable development that creates chains of enterprise, respects the environment and enlarges the range of freedom and opportunity over generations should be pursued as the principle antidote to social disarray." Mr. Atwood goes on to urge patience, a quality we Americans are not known for. "We will not transform societies overnight."

Too often, we want to solve a problem quickly, or not at all. Somalia is an example. Throughout the 1970's and 1980's, the Russians and the United States gave millions of dollars in military aid to repressive Somali Governments. Then the cold war ended and Somalia erupted in violence, which led to massive famine. I supported the use of American troops to prevent the starvation of half a million people, but when we pulled out the United Nations was unable to prevent the resurgence of violence.

Mr. President, we have got to face the fact that if we are going to avoid future Somalias and Rwandas, which are costing billions and billions of dollars in emergency relief aid, we have to invest in the less glamorous, long-term process of building stable, sustainable economies and supporting pluralistic, democratic governments. These are the antidotes of violence and famine, but they take time and patience. They also cost money, but the alternatives, as we have seen most recently in Rwanda and Haiti, are far more costly.

I want to commend Brian Atwood for raising these issues, and for his efforts to focus our foreign assistance program on sustainable development and supporting the building blocks of democracy. Simultaneously, I urge the administration to vigorously seek to build support within the United Nations to strengthen multilateral capabilities to respond to genocide or other violence that threatens the lives of large numbers of civilians. If we have learned anything from these recent disasters it is that we are not adequately prepared to respond to such crises, and that far more must be done to prevent them from occurring in the first place.

Mr. President, I ask that Mr. Atwood's op-ed piece be printed in the RECORD.

The article follows:

[From the Washington Post, July 31, 1994]

SUDDENLY, CHAOS

(By J. Brian Atwood)

Bosnia, Haiti, Rwanda. These troubling and unique crises in disparate regions of the globe share a common thread. They are the dark manifestations of a strategic threat that increasingly defines America's foreign policy challenge. Disintegrating societies and failed states with their civil conflicts and destabilizing refugee flows have emerged as the greatest menace to global stability.

Containment of communism defined our national security policy for nearly half a century. A previous generation of Americans built new institutions, alliances and strategies in the wake of World War II to meet the demands of that era. Now, we must forge the tools and policies needed to meet a threat that can best be summarized by the word "chaos." It is a threat that demands a response far more complex than the zero-sum arithmetic of the Cold War.

Increasingly, we are confronted by countries without leadership, without order, without governance itself. The pyre of failed states is being fired by common fuels: long-simmering ethnic, religious and territorial disputes; proliferating military stockpiles built dangerously high during the Cold War; endemic poverty; rapid population growth; food insecurity; environmental degradation; and unstable and undemocratic governments.

Pre-crisis Rwanda was the most densely populated nation in Africa; per capita food production was in decline, land was in dispute, and political power was jealously guarded. Extremists exploited those volatile conditions, precipitating the orgy of genocidal violence that ensued.

The horror of Rwanda is but the latest of the many faces of chaos. The debate over this tragedy has led us to ask critical questions about the nature and speed of our response. Was it too little, too late? Is U.N. machinery adequate to handle disasters of this magnitude? Should we have sent peacekeepers into a civil war? These questions are inevitable in a democracy, and they are important. But they deal with our response to crisis, not to any efforts to prevent it. If we do not question our collective responsibility to treat the causes of such social implosions, we are doomed to a future of ever-escalating global trauma.

Failed states and the human misery they create are extracting an unprecedented price. The international community spent more on peacekeeping operations in 1993 than in the previous 48 years combined. In that same year investments in development declined by 8 percent. Reversing this trend—and reducing the security risks, human suffering and economic losses it represents—will require a much greater emphasis on prevention.

This effort is already underway. The Clinton administration has made crisis prevention a central theme of its foreign policy. The U.N. secretary general has embraced the need for preventive diplomacy. Our common objective is clear: to help societies build the capacity to deal with the social, economic and political forces that threaten to tear them apart.

The building blocks of a successful Cold War foreign policy were military alliances, nuclear deterrence, international organizations and a body of international law that formed a framework for cooperation, dispute resolution and interstate relations. Geostategic considerations dominated the policy approach, and relative power, measured in economic, political and military terms, was a constant measure of success.

This system and those considerations cannot be abandoned overnight, nor should they be. But we are in a transition period. We are just beginning to wrestle with the necessities, and the frustrations, of multilateral diplomacy. A highly dynamic and increasingly independent set of nongovernmental variables—information and financial flows, international citizen networks, proliferating and accessible weapons of war and millions of migrating people—are challenging our analytical capacity and undermining traditional diplomacy. We are still in the process of defining the elements required to combat the new, multi-dimensional threats.

Some of the components are clear. We cannot prevent failed states with a top-down approach. No amount of international resources or organizational capacity can serve as a substitute for building stable, pluralist societies. New partnerships and new tools are needed to strengthen the indigenous capacity of people to manage and resolve conflict within their own societies. Technology should be better exploited and shared to empower individuals and enhance the networking of nongovernmental groups, increase food supplies, slow population growth and preserve natural resources. Sustainable development that creates chains of enterprise, respects the environment and enlarges the range of freedom and opportunity over generations should be pursued as the principle antidote to social disarray.

Finally, we need to acquire a quality we Americans are not known for—patience. We will not transform societies overnight. Dramatic victories will be rare and setbacks common. Consensus building and development require long-term commitments and staying power. These are the techniques of crisis prevention, and our political system will have to accommodate them, or we will fail in these endeavors.

President Clinton has sent me on two missions to East Africa in the past two months. The first was to marshal international support to prevent a drought from triggering a famine. The second was to survey the dimensions of the massive human tragedy in Rwanda. The first mission gained less attention, but it could save more lives, for it was an exercise in crisis prevention not crisis response.●

HIGH-SPEED RAIL

● Mr. SIMON. Mr. President, I would like to express my support for S. 839 as a first step toward encouraging high-speed passenger rail development in the United States. High-speed rail is an efficient, inexpensive, and environmentally preferable mode of travel, especially compared to highway and air travel, and I believe it should be an integral part of an intermodal transportation system in this country. While S. 839 will boost high-speed rail, it does not go nearly far enough regarding corridor development for those States that have already made high-speed rail planning a priority. We need to go beyond S. 839 and begin devoting resources to corridor development.

Since Congress passed the Intermodal Surface Transportation Efficiency Act [ISTEA] in 1991, many State and local governments have worked hard to develop master plans for incremental high-speed rail corridors. In fact, Illi-

nois, Michigan and Wisconsin have completed extensive financial and development plans and are poised to begin actual corridor implementation. While S. 839 addresses an important need for research and development, at this stage the more important and pressing need is for increased funding for corridor development.

President Clinton has repeatedly stated that high-speed rail will be the cornerstone of future American transportation and that the development of high-speed rail corridors is a priority item. In the Northeast, high-speed rail has proven itself to be a success—shuttling passengers quickly and efficiently from Washington to New York. However, to date, the administration has only proposed roughly \$32 million for high-speed rail in fiscal 1995, all of which is committed to research and development. In its current form, S. 839 will also only authorize funds for planning, research and development—\$29 million in fiscal 1995, \$70 million in fiscal 1996, and \$85 million in fiscal 1997. While I am pleased that the administration intends high speed rail to be a priority, until actual Federal dollars are committed for corridor development, it will continue to be only a priority and not a reality.

With a Federal commitment of only \$400-600 million, a matching amount can likely be leveraged from State and private funds to build the entire multicity and multistate Midwest corridor, Detroit-Chicago, Chicago-St. Louis, Chicago-Milwaukee. Congress designated this corridor as a priority in the ISTEA legislation. Considering the amount of money currently being spent on highway and airports, this is a relatively small amount with which we can begin to reshape the transportation future of America with the development of a high-speed rail network. Furthermore, the development of a Midwest high-speed rail network will achieve complimentary environmental and economic development goals, create jobs, and revitalize downtown cities in the Midwest.

Congress has shown bi-partisan support for high-speed rail and the public has also expressed its desire for a high-speed rail system. Therefore, I urge my colleagues to support S. 839 as the first step in making high-speed rail a reality in this country and urge the administration to begin to provide meaningful funding for corridor development, especially for the Midwest high-speed rail corridor.●

BILL BAKER, THE FIVE SATINS

● Mr. LIEBERMAN. Mr. President, I rise today to pay tribute to a constituent from West Haven, CT, who played an important role in the cultural history of our century.

Bill Baker, who was the lead singer of the Five Satins, passed away last

week, and that news brought a flood of memories to the many fans of the great 1950's group whose music was a big part of the soundtrack of their lives.

Mr. Baker, a native of Alabama, grew up singing gospel music along with his mother. He moved to New Haven when he was 16 and began singing with area groups. His big break came in 1957, when he was invited to replace lead singer Fred Parrish in the Five Satins, just as they were about to go on a national tour to promote their big hit, "In the Still of the Night." That song, by the way, was recorded in the basement of New Haven's St. Bernadette's Church, which provided the hauntingly beautiful acoustics that characterize the recording.

Following on the heels of their success with "In the Still of the Night," Bill Baker and the Five Satins recorded their next big hit, "To the Aisle." The song stayed in the Top 40 for 8 weeks in the summer and fall of 1957, and was also featured on the soundtrack of the classic movie, "American Graffiti."

Sadly, the Five Satins disbanded in 1959, a victim of conflicts with the recording company. However, Bill Baker continued to sway audiences with his beautiful tenor voice throughout the 1960's and 1970's in live performances. Throughout this time, by the way, and for a total of 32 years, Bill Baker worked hard to support his family as an employee of the G&O Manufacturing Co. in New Haven.

In the early 1980's Bill Baker's Five Satins formed and went on tour. I was honored when they accepted my invitation to sing at the announcement of my reelection for Attorney General in 1984, which was an evening I will never forget. Two days before his death, Bill Baker received honorary induction into the Doo-Wopp Hall of Fame of America, an event that brought tears to his eyes, said Ann Della Camera, his longtime manager and resident of East Haven, CT.

Mr. President, on behalf of the people of the State of Connecticut, and on behalf of the millions of fans of the Five Satins around the world, I wish to recognize the contributions of Bill Baker to American music history, and express my condolences to his family, including his wife, Thelma Valenti Baker, his children, Nathaniel and Tammi, his parents and brothers and sisters. The memory of his wonderful voice will live forever. As was so well stated by Harvey B. Robbins of the Doo-Wopp Hall of Fame in a Hartford Courant article, "As long as the music of the 1950's is played, the voice and presence of Bill Baker will always be a part of that era."●

BICENTENNIAL OF THE BATTLE OF FALLEN TIMBERS

● Mr. GLENN. Mr. President, tomorrow, August 20, is the 200th anniversary

of Gen. Mad Anthony Wayne's victory over a confederation of Indians at the Battle of Fallen Timbers along the Maumee River near Toledo, OH. For many the battle and its general have slipped from memory. But the names remain all across the landscape of western Ohio and southern Michigan. This year many Ohioans remember the significance of this important event.

President George Washington directed General Wayne and the Nation's first professional army to deal with the western Indian trouble; 200 years ago places such as Fort Defiance, Fort Recovery, and Fallen Timbers became legend. The battle and the subsequent Treaty of Greene Ville, ended the Indian wars in Ohio and opened the Northwest territories to settlement.

The Battle of Fallen Timbers took place on August 20, 1794, and actually lasted only about an hour. Wayne with his 1,500 regular troops and 2,000 Kentucky militia outnumbered the confederated Indian forces.

Wayne was tempestuous and knew success in the Revolutionary War as a fighting military officer. He was a strict disciplinarian and looked out for his men. Wayne had his flaws but he was merciless on himself. Three weeks before the battle, a tree fell on him and nearly killed him. Despite internal injuries and gout, he was on the frontlines of the battle, urging his men to fight.

Mr. President, on this anniversary of the Battle of Fallen Timbers, I note the significance of this historical event and I ask that an article entitled Mad Anthony's Battle by Randy McNutt that was published in the August 1994 issue of Ohio magazine appear in the CONGRESSIONAL RECORD.

[From Ohio Magazine, August 1994]

MAD ANTHONY'S BATTLE

(By Randy McNutt)

Once, Anthony Wayne's fame hung over Hamilton like a crescent moon. As a boy I thought Wayne had been president. We passed signs for Wayne Trace Road; Fort Wayne, Indiana; Waynesville, Ohio; Wayne Township and the Anthony Wayne Parkway, better known as U.S. Route 127. Once, my father took us through two Wayne counties, in central Ohio and southern Michigan, and every year my family shopped at Hamilton's Mad Anthony Day Sale. While downtown, I admired the Anthony Wayne Hotel, the architectural tribute to Wayne's good name and for years Hamilton's social focal point. Today, I'm sorry to say, the elegant 1920s hotel sits empty, facing resurrection or the wrecking ball, and Wayne's memory isn't much different.

Two hundred years after his greatest victory, Anthony Wayne is still Ohio's most ubiquitous name. No other pioneer is so easily recognized, no other so equally forgotten. On August 20, 1794, his army defeated a coalition of Indian tribes in the Battle of Fallen Timbers. He was born to win this battle, although once he was more famous for other ones. Probably the bicentennial will come and go without much reflection, despite its significance: Fallen Timbers opened the Ohio country to settlers and led to statehood in 1803.

History is anything that happened before Vietnam, thereby making Gen. Anthony Wayne prehistoric. Before television clouded our historic depth perception, people in Hamilton, my hometown, remembered him as a hero. What they may not have realized, however, was that without Wayne's victory, their town—and many others—might not exist. Already the Indians had defeated undisciplined volunteer armies under Gen. Josiah Harmar in 1790 and territorial Gov. Arthur St. Clair in 1791. St. Clair's defeat—he lost almost half his 2,000 men—presented an enormous setback. It's still one of America's worst defeats. A slaughter. If Wayne had lost, the young nation might have signed a treaty with the Indians, cutting off the flow of settlers to the West at a critical time and changing American history. Northern Ohio might be an Indian buffer zone or a part of Canada.

Ironically the biggest battle ever fought on Ohio soil—and possibly the era's most important one—was an anti-climax. Both sides had anticipated the battle for months, but when the shooting stopped, fewer than 50 soldiers lay dead. Troops complained more about ague than Indians that week, yet Fallen Timbers veterans became mythical heroes. Today, the battle site is a pleasant park with an understated monument. You wouldn't know that the place is a famous old battleground, or that Wayne, whose name adorns many public buildings and political subdivisions in Ohio, spent less than four years in the area.

But here he trained the nation's first professional army, opened the Northeast Territory to settlers, won the long Indian war and signed a treaty with the tribes that ceded much of what would become Ohio to the United States. Naturally, his popularity haunted the region; states and communities honored him. Besides George Washington, Wayne was the old Northwest Territory's most praiseworthy figure.

Some people in my town have heard his name so often that they assume he built Fort Hamilton. Actually he took it over from St. Clair, who named it for Alexander Hamilton, secretary of the treasury. The fort grew into the town of Hamilton, complete with paintings and other reminders of Wayne. I have never seen a portrait of St. Clair in town. About 1900 the community built a fancy Memorial Building to honor its soldiers and pioneers. To mark the location of the fort, builders erected limestone stockades and blockhouses near the Great Miami. These days, only visitors stop long enough to notice the stone oddities, and rarely does anybody invoke the name of Wayne. Yet somehow his aura faintly shines, as though he were an ancient god.

Anthony Wayne, Ohio icon, was born not in the Northwest Territory but in Easttown Township, Pennsylvania in 1745. He studied surveying as a young man, grew bored, entered politics, ran off to war as a colonel in Pennsylvania's Revolutionary militia, slept on the ground when he had to, ignored his wife for years, paid too much attention to another woman, took command of his unit and captured Ticonderoga, told George Washington he'd storm Hell itself for him, was appointed major general, was grazed on the head by a musket ball but continued to fight, went to Congress but was defeated for re-election, headed west as commander of the first U.S. Army, wrapped himself in flannel bandages when the pain of gout became unbearable, longed to leave the field to become Secretary of War, tried various investments without much success, argued bitterly

with some of his generals and died disappointed and in pain.

All his life, he acted confidently—too cocky for his colleagues' tastes. One general called Wayne a blockhead. Friends and enemies alike agreed that he sought to attract attention to himself by boasting and posturing, but he backed up his talk with his prowess on the battlefield. For example, he incorporated centuries of European military tactics into his strategies, but on the frontier he realized that man-to-man fighting—not walls of soliders—worked better. What didn't change with the territory was his love for front-line action, and the thrill of a righteous fight. "He may at times have seemed eager, even lustful, for combat," biographer Glenn Tucker wrote. "He was frankly a tradesman in slaughter, a devotee of inflicting death."

Sent west in 1794 to salvage the new republic's battered military position, Wayne had to fight two wars simultaneously—on the frontier and on the bureaucratic front back east, where anti-Federalist politicians and high-ranking officers tried to discredit him at every bend. Their criticism, though intense, didn't diminish his reputation as a commander. As Theodore Roosevelt pointed out, Wayne was America's best fighting general. Like Patton, however, Wayne could thrive only in the turbulent years of war. If he hadn't become a soldier, he would have ended up a politician, for both occupations require the killer instinct.

As an early proponent of quick and concentrated force—a bayonet blitzkrieg—Wayne's theory of fighting was: When in doubt, attack. "The enemy," he explained, "are taught to dread—and our soldiery to believe—in the Bayonet." During the Revolution, on the night before the Battle of Monmouth, Washington asked his generals if he should hit Sir Henry Clinton's forces as they crossed New Jersey. Most of them said no. "Fight, sir!" said Wayne. At the war's end, he had established a dual reputation—one of the Revolution's most respected generals, behind Washington, Lafayette and Nathaniel Greene, and also a tempestuous dandy who swore compulsively, dressed in full military regalia and enjoyed playing the general's role. He acquired the nickname "Mad" Anthony from an angry scout who had been lashed, some historians think, or after he made some brash move at the Battle of Green Spring Farm in 1781. Despite the nickname, Wayne's madness always had method. No detail escaped his scrutiny.

At the same time, he often made rash statements that riled his troops and enemies. He once said, "A bloody track will mark my setting sun," and soldiers took it literally. They wondered if it was their blood. His comments received so much attention in the newspapers that not even his admirers could separate the words of Mad Anthony from those of Gen. Wayne. In exasperation, Washington said Wayne could "fight as well as brag," but admitted that Wayne was "more active and enterprising than judicious and cautious." Henry "Light Horse Harry" Lee, who sensed Wayne's special need for war, put it more candidly: "Wayne had a constitutional attachment to the sword."

His soldiers, of course, did not always share his views of battle. Many admired his courage and attention to detail, but just as many thought he lacked compassion for them. "Wayne brutally overrode his subordinates," observes Larry Nelson, manager of Fort Meigs State Memorial in Lucas County. "Some people romanticize this aspect of his

personality and say such stern treatment was good for discipline. The truth is, his men and the Indians found Wayne hard to cope with. He was not well-liked by any means. A definite camp supported him, but another did not. At Fort Adams, a tree fell and almost crushed him while he was in his tent one night—possibly an assassination attempt. It is believed that Gen. Wilkinson, Wayne's second in command, was responsible." Tough exterior notwithstanding, Wayne was no more vicious than other generals of the period, maintains Floyd Barmann, director of the Clark County Historical Society and commander of the First American Regiment re-enactment group. "He wanted to make sure his men did what they were supposed to do," Barmann says. "It was a difficult period."

During the Revolution, Wayne once challenged a group of angry soldiers to shoot him. They declined, mostly because he acted so arrogantly. Another time, 12 soldiers were convicted of refusing to march. They were shot by a firing squad, but one lay wounded. Wayne ordered a soldier to kill the man with a bayonet, but the soldier refused, saying he was a friend. Wayne held a pistol against the squad member's head, threatened to shoot and the order was obeyed. Wayne didn't change his harsh disciplinary practices in 1792, when Congress voted to raise a professional army and President Washington asked Wayne to lead it. If anything, he became more authoritarian. Wayne called his army the Legion of the United States, and of it he demanded professionalism. "When he speaks Heaven shrieks," one officer wrote, "and all stand in awe."

Wayne thought American troops should look like soldiers—no beards, no sloppy uniforms, no drinking on duty. "I have an inseparable bias of an elegant uniform and soldierly appearance," he said. "I would rather risk my life and reputation at the head of the same men in an attack, merely with bayonets and single charge of ammunition, than to take them as they appear in common with 60 rounds of cartridges."

Trained by the spring of 1793, Wayne's army left its Pennsylvania camp for a new one near Cincinnati. Soldiers were restless; the weather was harsh. Pay suddenly stopped when a yellow fever epidemic hit Washington, forcing government workers to temporarily flee the city. Enraged by an increasing number of desertions, Wayne ordered his blacksmiths to forge branding irons marked "deserter." Before Wayne could test them, Secretary of War Henry Knox forbade their use. Knox, a Wayne supporter, knew Wayne's enemies would use such an incident against him.

Wayne marched north from Cincinnati in the fall of 1793 with more than 3,600 regulars, to build a series of forts between the Ohio and the Maumee rivers. They included Fort Greene Ville, Fort Defiance, Fort Jefferson, Fort St. Clair, and on the site of Arthur St. Clair's defeat, Fort Recovery. Watching this ominous advance, Little Turtle, the tribes' top strategist in the Northwest, warned that Wayne was too formidable. "We have beaten the enemy twice under different commanders," he told them. "We cannot expect the same good fortune to attend us always. The Americans are now led by a chief who never sleeps. The nights and days are alike to him, and during all the time he has been marching on our villages, notwithstanding the watchfulness of our young men, we have never been able to surprise him. It would be prudent to listen to his offers of peace."

The Legion's route north, roughly where Route 127 is today, went through flat land

then filled with trees and swamps. The Indians—even his own troops—expected Wayne to follow the path of previous American armies, but Wayne circulated rumors that he would attack Indian tribes to his right and left. Surprised warriors rushed to defend their homes, leaving the Legion free to walk up the middle of western Ohio's Indian country. On August 19, 11 days after leaving Greene Ville, the Legion had marched 77 back-breaking miles through the wilderness. By this time, Wayne spoke incoherently and he was oblivious to the hardships of his troops. Privately he predicted his death in battle soon. Near the Maumee, the Legion waited, although Wayne still didn't think the Indians were ready to fight. Brig. Gen. James Wilkinson, Wayne's old nemesis and subordinate, bet him a cask of wine that the Indians would fight. Wilkinson, who preferred traditional methods of fighting and wrote anonymous newspaper attacks on the commander, often questioned Wayne's competence and credibility.

On the morning of August 20, Wayne woke in agony. Tears moistened his face. His gout had returned in crippling force, so he told his men to wrap bandages around his arms and legs and to lift him onto his horse. Lt. William Henry Harrison said, "General, I'm afraid you'll get into the fight yourself and give the necessary field orders." Wayne replied, "And if I do, recollect that the standing order of the day is, 'Charge the damned rascals with the bayonets!'" By 8 a.m., a light rain ended and the sun came out. As the soldiers pushed forward, an Indian force estimated at from 1,000 to 2,000 warriors attacked the Legion's front line, which faltered. Ignoring his pain, Wayne rode to the front and urged his men to fight in the tall grass and decayed timber that had been recently blown over by a tornado. Soldiers howled as they swept into the woods, stabbing and firing. The bloodiest combat lasted no more than 40 minutes. By some accounts, the Legion suffered only 28 deaths and 100 wounded. Forty Indians lay scattered in the woods, but Wayne thought more bodies had been carried away. Shaken by the severity of the brief attack, the Indians ran to Fort Miami, but the British would not let them enter. Wayne walked close to the fort to taunt the British. When they wouldn't fight, Wayne ordered the Legion to set fire to cornfields and prairies around the fort.

If Wayne had retired immediately after his victory, his name still would have echoed throughout Ohio for the next two centuries. But he continued to make history; he negotiated a landmark treaty that allowed settlers the right to live in territory from the Ohio to a line starting at Fort Recovery and extending northeast to the Cuyahoga. Knowing the countryside was secure, Wayne moved on to other duties in Detroit. In December of 1796, on his way back to Pennsylvania, he suffered a recurrence of the gout, the disease that had plagued him for so long, and after a week of high fever he died in the Presque Isle blockhouse. He was only 51. Shortly before his death, he had asked to be buried—in full uniform, of course—on Garrison Hill, by a flagpole. He rested there until 1809, when the Society of Cincinnati inquired about burying him with his family in a Radnor churchyard. Wayne's son, Isaac, went to Erie in a sulky to dig up his father. Aided by Wayne's old Legion physician, J.G. Wallace, Isaac Wayne found the general well-preserved. The problem: How could Isaac carry his father's body to Radnor in a sulky? Wallace decided to boil the body, strip flesh from bone, send the flesh back to the Erie

grave site for reburial, and to present the bones to Isaac. For his trouble, Wallace ended up in a major scandal, for as he learned, one doesn't dig up icons that easily. Meanwhile, Isaac Wayne arrived in Radnor with the skeleton, which was buried, appropriately enough, on July 4, 1809, giving the general the distinction of being the only American hero with two gravesites.

Even in death, Anthony Wayne somehow managed to attract attention. •

FACES OF THE HEALTH CARE CRISIS

• **Mr. RIEGLE.** Mr. President, I rise today to tell you about a young woman from my State. Peggy Musser lives in Trufant, MI, a small rural town. At age 22, she has already endured two major open heart surgeries and the removal of her gallbladder.

Peggy's first heart operation occurred when she was 14 years old, to repair a congenital problem that prevented her body from circulating blood properly. Surgeons used grafts to enlarge her arteries. Her father worked for the Wolverine Co., a manufacturer of footwear in Grand Rapids that employs 2,000 workers. This large firm provided health coverage to its workers and their dependents, so this insurance paid for all of Peggy's surgery and other health care expenses.

Seven years later, at the age of 21, Peggy faced her second open heart surgery to repair aneurysms that had developed near her heart. An aneurysm is a weakness in a blood vessel wall that can balloon and burst, and sometimes causes death. At the time of her operation, Peggy was employed by a physician in solo practice. Her employer provided HMO coverage that paid for the cost of the procedure as well as for the four prescription medications she must take to stabilize her fragile condition. Peggy herself was only responsible for minimal copayments.

But in June of last year, 5 months after the second surgery, Peggy's employer moved out of State. Peggy lost her job, and along with it her health insurance. She was left to try to pay the \$500 per month cost of her prescription medications herself.

Her heart condition and prescription drug costs were not all Peggy had to face without coverage. Within months she again needed major surgery, this time to remove her gallbladder. She suffered from gallstones that caused severe abdominal pain and would have caused liver damage if her gallbladder had not been removed. The hospital wrote off some of their costs as charity care, but Peggy was liable for \$5,000 in doctors fees and other expenses.

Peggy was unemployed for 6 months before she secured another clerical position in a medical practice. But the health insurance company that provided coverage for the office employees refused to add Peggy to the group policy because of her pre-existing heart

condition. Earning \$6 an hour, she was still unable to pay for her drugs and her medical treatment, or to pay off her debts.

Out of necessity, Peggy now lives with her parents and has received some assistance from family and friends. The burdens of her medical condition and growing debt are overwhelming to her. She has focused on paying for her medications, leaving the doctor and hospital bills pending for now. Although she lives at home, her parents cannot add her to their health policy because she is not a student. Peggy applied to the State for Medicaid, hoping for assistance to pay her medication costs. But public coverage is not available for single women without children with or without employment.

Peggy is a 22-year-old woman who has already learned that she cannot count on employment, private insurance or public aid to ensure that she has the medication and treatment she needs to keep her alive. And she does not see how she will ever be able to pay her mounting medical debts. She cannot feel secure about her future, knowing that no insurance company will ever cover her.

Mr. President, young women like Peggy deserve better from our country. We need health reform legislation that eliminates pre-existing condition exclusions and allows everyone to purchase coverage they can afford. We need a bill that will allow small business owners, like Peggy's second employer, to cover all of their workers. Workers in small offices deserve the same health care security as workers in large factories.

Senator Mitchell's proposal would permit Peggy to purchase insurance. It would also allow Peggy's parents to add her to their own policy. Mr. President, I will continue to work with my colleagues in the Senate to pass health care reform legislation this session that will provide Peggy and all other Americans access to affordable, comprehensive health care.●

JOSEPH S. DUSENBURY: EXCELLENCE IN PUBLIC SERVICE

● Mr. HOLLINGS. Mr. President, Joe Dusenbury is well known to many of our colleagues here in the Senate. As Commissioner of the South Carolina Department of Vocational Rehabilitation for the last 18 years, he has earned a reputation as the Nation's single most respected and authoritative expert in his field.

Here in Washington, Joe Dusenbury is known by many Senators as a passionate advocate and innovative practitioner in the field of vocational rehabilitation. He is Mr. Vocational Rehabilitation.

Back home in South Carolina, he has the same reputation. But, perhaps more importantly, Joe Dusenbury is

universally respected as a man who makes government work—for the taxpayer, for people in need, and for the businesses of my State. Under Joe's leadership and vision, the South Carolina Department of Vocational Rehabilitation is recognized as the most innovative and cost-effective program of its kind in the country. Its cost per case is roughly half of the national average. Despite the fact that South Carolina is a relatively small State, the department placed a remarkable 8,392 clients in jobs last year.

Joe Dusenbury obviously is a man of exceptional administrative talent. He brings out the best in his staff, and they in turn bring out the best in the clients they serve. Joe is an evangelist for new ideas and for an old-fashioned conviction: That ability must be emphasized over disability, and that work is essential to human dignity.

Mr. President, Joe Dusenbury retired this summer after nearly three and a half decades with the Department of Vocational Rehabilitation. As you might expect, he has received a slew of honors down through the years, from presidential awards to honorary doctorates. But the real testament to Joe's life work lies elsewhere. It lies in the tens of thousands of lives he has touched—lives he has transformed through rehabilitation, gainful employment, and self-sufficiency.

Quite simply, Joe Dusenbury has been a public servant in the highest and finest sense of the word. I have enormous respect for the work he has done, both nationally and in South Carolina. And I know my colleagues share that sentiment. We all wish him the very best.●

AN INSIGHTFUL OPINION OF S. 55

● Mr. REID. Mr. President, the Senate recently considered S. 55, the Workplace Fairness Act. I believe one of the more insightful opinions on this bill appeared in a recent column in the *Las Vegas Sun*. The author if this column is the former two-term Governor of Nevada, the Honorable Mike O'Callaghan.

ONE MAN'S VIEW

(By Mike O'Callaghan)

Why would anybody be surprised by Titanium Metals Corp. hiring permanent replacements for the people they have kept on the picket lines for nine months? From the very beginning of this labor-management dispute, it was obvious that the company invited the strike and had no intention of settling it with the workers.

A couple of days before the strike was called, I remember telling a Union leader that they were purposely being led down that path by management. Timet is a giant corporation that has other concerns than the people who have lived and worked here for several decades.

There has been a lot of pain and suffering by the local workers and their families during the past several months. It doesn't look like things are going to get any better during the remainder of this year. As far as

Timet is concerned things may never get better, but what goes around comes around.

The actions of companies such as Timet and the Frontier Hotel and Casino may hurt local workers today but in the long run their actions will encourage Congress to pass some corrective legislation. Labor and management conflicts and legislation have been on a national roller coaster since the turn of the century. As power shifts from one side to the other legislation is produced to return a semblance of balance.

Although the 1994 striker replacement ban appears to have died in the U.S.-Senate this year, it will eventually pass before the year 2000 if more companies take advantage of the present legal vacuum to punish their employees.

Right now the conduct of a couple of local companies doesn't have a negative impact on a healthy Nevada economy. If economic conditions and employer attitudes change, so will the attitudes of the public.

Just as in the past, when some union leaders abused their powers, legislation was passed to prevent the abuses and send some offenders to jail. Abusive employers have felt the same legal whip in the past and will again in the future if they overstep the bounds of what Americans feel is fair and just.●

SANTA FE COAT CO. AND THE SBA

● Mr. DOMENICI. Mr. President, today is a very special day for Jeanette Ferrara, owner of the Santa Fe Coat Co., located on the Isleta Pueblo in New Mexico. Today, Jeanette received the first New Mexico loan in the Small Business Administration's Women's Pre-Qualification Pilot Loan Program.

As the following release from the SBA will detail, the Santa Fe Coat Co. is owned by Jeanette Ferrara, an American Indian woman who is serving as a role model for other New Mexico businesswomen interested in quick responses to their loan requests.

I commend the following SBA announcement to my colleagues. It is a good example of the solid benefits available from the relatively small women's office in the SBA. I urge my colleagues to join me in taking a close look at the positive results we are gaining from this SBA program.

As many of my colleagues are aware, the administration reduced funding from \$2 million in fiscal year 1994 to \$500,000 for fiscal year 1995. The conference report we are sending back to the President includes \$4 million for next year's efforts to build women-owned business in America.

The announcement follows:

SMALL BUSINESS ADMINISTRATION,
Albuquerque, NM, August 19, 1994.

FIRST LOAN MADE THROUGH THE SBA WOMEN'S PRE-QUALIFICATION PILOT LOAN PROGRAM

ALBUQUERQUE, NM.—Tom W. Dowell, District Director of the New Mexico Small Business Administration (SBA), announced today that the first SBA's Women's Pre-Qualification Pilot Loan in New Mexico has been made through First Security Bank. Jeanette Ferrara, owner of the Santa Fe Coat Company is the recipient of the "first loan" through this new pilot program that began in New Mexico on June 1, 1994.

The Women's Pre-Qualification Pilot Loan Program is designed to streamline the application process and provide a quick response to a non-profit intermediary for loan requests of \$250,000 or less to women owned (51% or more) and managed businesses. It focuses on the character, credit, experience and reliability of the applicants. "During the first few weeks that the pilot program has been in place our office has had many inquiries," Dowell states. "We hope to approve additional loans through this program and our existing 7(a) guaranteed loan programs in the near future."

Under this SBA program, a women works with a participating non-profit intermediary agency. These intermediaries assist the businesswoman complete a loan application after a complete analysis of the business owner's business plan and loan proposal is made to determine if client meets the SBA's loan criteria. The intermediary submits client's loan application to SBA. The loan application is reviewed by SBA and if eligibility criteria and requirements are met, SBA issues the client a "pre-qualification letter" stating that SBA is willing to guarantee this loan request. The client can then take her loan packet which includes the SBA pre-qualification letter, business plan and loan proposal to a commercial bank of her choice for submission to SBA. New Mexico non-profit intermediaries participating with SBA on the Women's Pre-Qualification Loan Program include the 17 New Mexico Small Business Development Centers, New Mexico Native American Business Development Center, Enhancement Certified Development Company, Albuquerque Hispano Chamber of Commerce and the Women's Economic Self-Sufficiency Team (WESST Corp).

Jeanette Ferrara, owner of Santa Fe Coat Company, submitted her loan application to SBA through the New Mexico Native American Business Development Center, one of the non-profit intermediaries participating in this SBA program as a loan packager. In addition to the loan through First Security Bank Jeanette Ferrara received an Indian Business Development Grant from the Bureau of Indian Affairs to start her business. The Bureau of Indian Affairs makes available to eligible tribal members the development capital needed to finance projects on Indian reservations. In addition Ms. Ferrara

has received a technical assistance grant from the American Indian Consultants, Inc., U.S. Department of Commerce, to provide marketing services for Santa Fe Coat Company.

Santa Fe Coat Company is an American Indian owned apparel design, manufacturing and wholesaling business, located at Isleta Pueblo, a village that lies 23 miles south of Albuquerque, New Mexico. Santa Fe Coat Company specializes in American Indian custom designed women's coats, and its concept is to produce Indian designed clothing from drawing room to the finished product.

The collection is comprised of natural fibers, such as luxurious wool, cotton and high grades of leathers. Each garment is complimented with Indian silver buttons. This upscale contemporary fall collection has the elements of the American Indian influence and accents. This means that colors, symbols, leather, fringe and Indian buttons are the focal points of the collection and Ferrara has the education and experience in apparel, design, manufacturing and wholesaling.

Debuting as a "limited edition", the dinner coats, shawl coats, car coats and three button vests are manufactured at Isleta Pueblo. Each of these garments are reversible, giving the consumer two beautiful designs. Garment tags are tied to a corn husk bow and are placed on the front of the coat and features a storyline of the Native American Indians of Isleta Pueblo. Santa Fe Coat Company manufacturers in pueblo because the Pueblo has produced creative and high quality designs for generations such as pottery, jewelry and textiles. Santa Fe Coat Company wishes to continue that tradition and heritage developed over the generations by producing a more contemporary, yet timeless line of coats.

Looking towards the immediate future, Santa Fe Coat Company intends to produce other types of upscale clothing apparel. Ms. Ferrara may be reached by writing to Santa Fe Coat Company, P.O. Box 338, Isleta, New Mexico 87022.

Additional information on the SBA programs and services can be obtained by contacting the New Mexico SBA Office at 625 Silver Avenue, SW, Suite 320, Albuquerque, New Mexico 87102.●

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ORDERS FOR MONDAY, AUGUST 22, 1994

Mr. SARBANES. Mr. President, on behalf of the majority leader, I ask unanimous consent that on Monday, following the prayer, the Journal of proceedings be deemed approved to date and the time for the two leaders reserved for their use later in the day; that immediately thereafter, the Senate resume consideration of S. 2351, the Health Security Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 10 A.M. MONDAY

Mr. SARBANES. Mr. President, if there is no further business to come before the Senate today, I now ask unanimous consent that the Senate stand in recess as previously ordered.

There being no objection, the Senate, at 7:33 p.m., recessed until Monday, August 22, 1994, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate August 19, 1994:

FARM CREDIT ADMINISTRATION

MARSHA P. MARTIN, OF TEXAS, TO BE A MEMBER OF THE FARM CREDIT ADMINISTRATION BOARD, FARM CREDIT ADMINISTRATION, FOR THE TERM EXPIRING OCTOBER 13, 2000, VICE BILLY ROSS BROWN, TERM EXPIRING.

DEPARTMENT OF DEFENSE

PAUL G. KAMINSKI, OF VIRGINIA, TO BE UNDER SECRETARY OF DEFENSE FOR ACQUISITION AND TECHNOLOGY, VICE JOHN M. DEUTCH.

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be lieutenant general

MAJ. GEN. THOMAS M. MONTGOMERY ~~XXX-XX-XXXX~~ U.S. ARMY.

MESSAGE FROM THE SENATE
A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed bill of the following titles in which the concurrence of the House is requested:
S. 2302. An act to amend title 10, United States Code relating to the definition of a local service area of a primary contractor and for other purposes.
S. 2303. An act to make improvements in the operation and administration of the Federal courts and for other purposes and for other purposes.
S. 2304. An act to amend the Small Business Act and the Small Business Investment Act of 1958 and for other purposes.
KEEP THE ASSAULT WEAPONS BAN IN THE CRIME BILL
(Mr. SARBANES asked and was given permission to address the House for 1 minute.)

This symbol represents the time of day during the House proceedings, e.g., 1:00 p.m. Matter in this typographic form was inserted or appended when spoken by a Member of the House on the floor.